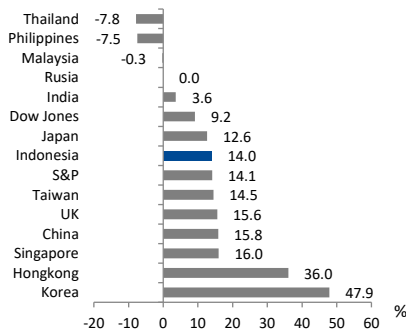


Equity Strategy

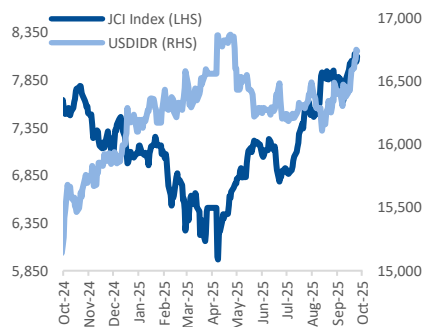
Oct25 Picks: Sticking with Banks, Commodities, Telco

YTD Regional Market (%)



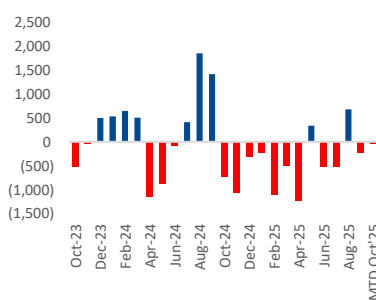
Source: Bloomberg

JCI vs USD



Source: Bloomberg

Net Foreign Flow (US\$m)



Source: Bloomberg

BRI Danareksa Sekuritas Analysts

Erindra Krisnawan, CFA
 (62-21) 5091 4100 ext. 3500
 erindra.krisnawan@brids.co.id

Wilastita Muthia Sofi
 (62-21) 5091 4100 ext. 3509
 wilastita.sofi@brids.co.id

- We maintain our positive stance on Banks as we expect better liquidity condition to be reflected in Sep25 CoF, combined with attractive yield.
- We continue to favor exposure in Commodities through Metals (INCO) and Coal (AADI).
- While Consumers sector trade at deep discount, we remain ST cautious amid lingering raw materials pressure and weaker IDR risk.

Foreign investors de-risking continued in Sep25

JCI closed Sep25 with a positive 2.9% mom performance, outperforming EM peers. JCI's Sep25 performance, however, continued to be mainly driven by select conglomerate-group and illiquid stocks (e.g., BRPT, DSSA), which also contributed to YTD +13.9% performance. Foreign investors recorded another month of outflow in Sep25 (of US\$234mn), dominated by BBKA, BMRI and BBNI, indicating continued de-risking.

Domestic funds diversified into Poultry, Cig and Coal; Banks still core OW

In Sep25, domestic funds diversified by adding exposure to Poultry (+24bps), Coal (+18bps), and Cigarettes (+15bps), while continuing to raise weights in Metals (+25bps). These shifts were funded by cuts in Banks (-13bps), Property (-6bps), and, to a lesser extent, Consumers. Despite the incremental allocations to new sectors, positioning remains heavily concentrated in Banks (+617bps OW), followed by Consumers (+263bps) and Auto/ASII (+199bps). This rotation also came alongside a reduction in cash holdings to 4.9% in Aug25 (vs. 6.9% in Jul25), indicating a more bullish stance toward the market.

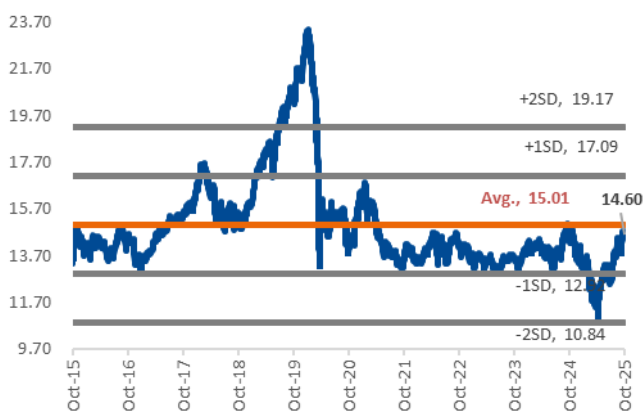
Sector and Stock Picks

Banks: attractive yield, better CoF outlook in Sep25. We turned tactically more constructive on the banking sector in Aug25, anchored by signs of easing liquidity pressure. Several catalysts unfolded in Aug–Sep25, including a 50bps policy rate cut, further decline in SRBI to 4.8%, lower LPS deposit rates, and the injection of Rp200tr in state funds into state-owned banks. These measures have yet to filter into CoF as of Aug-25, but our checks suggest special deposit rates eased in Sep25, pointing to potential CoF relief ahead. Sector performance was also weighed by higher opex, which we view as one-off. With improving liquidity dynamics and still-attractive valuations (1.9x PBV, 1.5–9.7% dividend yield), we see the sector offering favorable risk-reward for investors. Our top pick in the sector, however, remains on BBKA (Buy, TP Rp11,900), which continues to offer better earnings growth and asset quality profile.

Telco: Temporary speed bump on price repair may offer better entry. Our thesis on Telco industry price repair and more rational competition encountered a temporary setback, as [our latest price tracker](#) indicated a decline in data yield. Nonetheless, we view that these are promotional in nature, as the data yield decline was mostly led by packages with short period. Based on this, we continue to like TLKM (Buy, TP: Rp3,500), which trades at 4.9x EV/EBITDA, with improving earnings outlook in 2H25 and FY26 (FY26F 5.5% EPS growth).

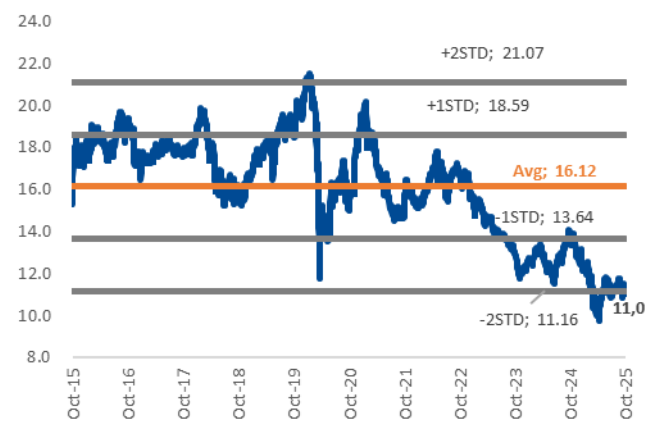
- + **Metals still glitters, coal worth an exposure.** We see momentum in gold and metals prices remaining intact, though BRMS, our preferred sector name, has already priced in much of the bullish expectation. Within our coverage, we highlight INCO (Buy, TP Rp4,700) as a compelling alternative, supported by expectations of an LME nickel price recovery and improved nickel matte payability feeding through to 2H25 earnings. We also believe it is timely to start building exposure to the coal sector, as seasonal inventory de-stocking appears on track and coal prices stabilize around cost support levels. Our top pick is AADI (Buy, TP Rp9,850), underpinned by its strong operational track record.
- + **Consumers: deep discount, but IDR is an added concern.** Our deep-value screen shows a concentration of consumer names (ICBP, KLBF, UNVR, MIKA). While stronger fiscal spending in 2H25 could provide a short-term boost (see [our Consumers sector report](#)), we remain cautious on the sector given IDR weakness risk and lingering input cost pressures.

Exhibit 1. JCI Forward P/E Band



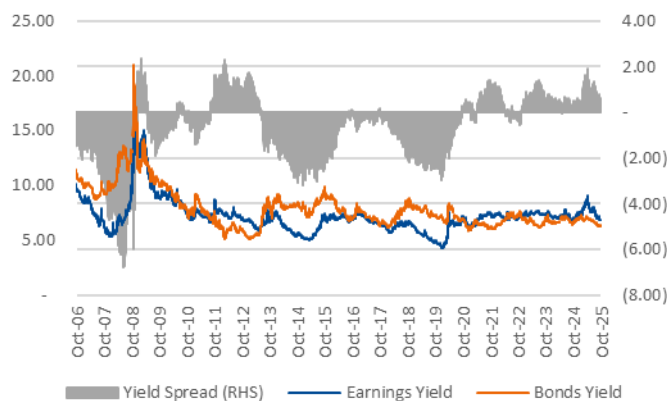
Source: Bloomberg, BRIDS Estimates

Exhibit 2. LQ45 Forward P/E Band



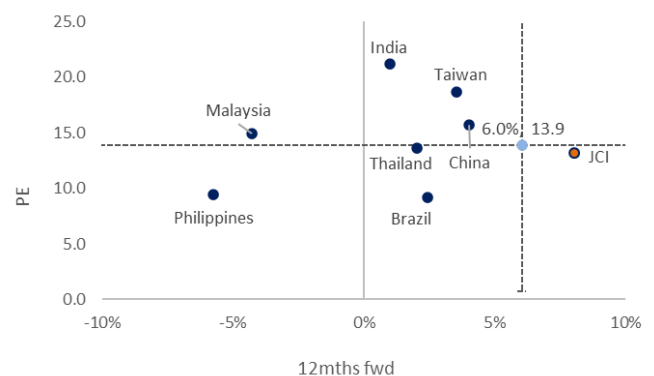
Source: Bloomberg, BRIDS

Exhibit 3. JCI Earnings Yield vs. Bonds Yield



Source: Bloomberg, BRIDS Estimates

Exhibit 4. JCI vs. EM Peers



Source: Bloomberg, BRIDS

Exhibit 5. Top Value Stocks based on P/E

Company	P/E		Earnings Growth (yoy) - Cons.		Domestic Fund Positioning Sep-25	YTD Performance
	Current	Discount (SD)	2025F	2026F		
BBCA	16.1	(2.7)	5.6%	7.5%	0.9%	-21.2%
ICBP	10.9	(2.2)	35.7%	11.5%	1.3%	-16.7%
CTRA	5.9	(1.9)	11.4%	0.5%	0.3%	-5.1%
KLBF	14.7	(1.7)	9.9%	8.5%	0.7%	-16.9%
MIKA	25.5	(1.6)	11.3%	12.9%	0.3%	-3.1%
UNVR	16.6	(1.5)	21.2%	-4.1%	0.1%	-5.6%
CPIN	17.2	(1.4)	9.8%	10.1%	-0.1%	-2.1%
SIDO	13.3	(1.4)	0.1%	5.6%	0.0%	-9.3%
INDF	5.8	(1.3)	27.5%	11.5%	0.4%	-6.2%
PWON	6.8	(1.2)	11.9%	6.1%	0.3%	-5.5%
ACES	8.3	(1.1)	-11.2%	19.4%	0.0%	-45.6%
BTPS	8.9	(1.0)	19.3%	18.4%	0.1%	45.9%
MYOR	13.7	(1.0)	-2.6%	20.3%	0.8%	-27.0%
INTP	13.7	(0.9)	-6.8%	6.1%	0.0%	-11.8%
BMRI	8.1	(0.9)	-7.1%	8.8%	1.8%	-22.8%
BBRI	10.7	(0.8)	-5.4%	10.2%	0.2%	-4.4%
DMAS	4.2	(0.8)	5.9%	5.0%	0.0%	-8.1%
SMRA	14.6	(0.8)	-27.0%	-2.4%	0.2%	-13.1%
MAPA	8.5	(0.8)	13.5%	22.4%	0.2%	-49.5%
MAPI	9.4	(0.6)	9.9%	18.0%	0.4%	-20.2%

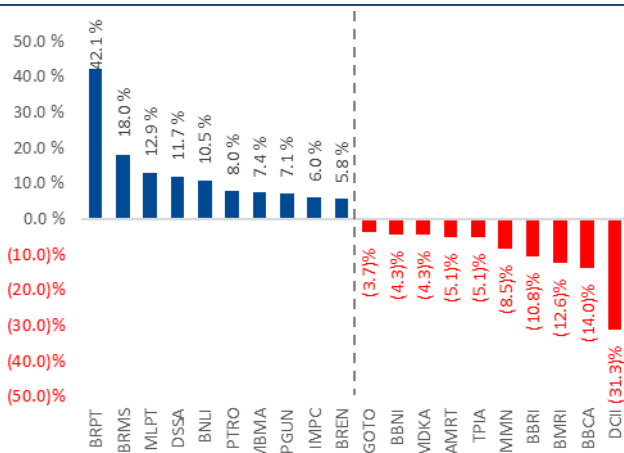
Source: Bloomberg, KSEI, BRIDS Estimates

Exhibit 6. Top Value Stocks based on P/BV

Company	P/BV		Earnings Growth (yoy) - Cons.		Domestic Fund Positioning Sep-25	YTD Performance
	Current	Discount (SD)	2025F	2026F		
BBCA	3.3	(2.4)	5.6%	7.5%	0.9%	-21.2%
KLBF	2.1	(2.1)	9.9%	8.5%	0.7%	-16.9%
ICBP	2.1	(2.1)	35.7%	11.5%	1.3%	-16.7%
MIKA	4.5	(1.8)	11.3%	12.9%	0.3%	-3.1%
CTRA	0.7	(1.8)	11.4%	0.5%	0.3%	-5.1%
MAPI	1.2	(1.7)	9.9%	18.0%	0.4%	-20.2%
MYOR	2.2	(1.6)	-2.6%	20.3%	0.8%	-27.0%
UNVR	18.1	(1.6)	21.2%	-4.1%	0.1%	-5.6%
SMRA	0.5	(1.5)	-27.0%	-2.4%	0.2%	-13.1%
PWON	0.8	(1.5)	11.9%	6.1%	0.3%	-5.5%
SMGR	0.4	(1.4)	-13.7%	36.0%	0.2%	-13.7%
SIDO	4.6	(1.4)	0.1%	5.6%	0.0%	-9.3%
INTP	1.0	(1.3)	-6.8%	6.1%	0.0%	-11.8%
DMAS	0.9	(1.3)	5.9%	5.0%	0.0%	-8.1%
ACES	1.0	(1.2)	-11.2%	19.4%	0.0%	-45.6%
CPIN	2.5	(1.1)	9.8%	10.1%	-0.1%	-2.1%
BMRI	1.4	(1.1)	-7.1%	8.8%	1.8%	-22.8%
INDF	0.8	(1.1)	27.5%	11.5%	0.4%	-6.2%
MAPA	1.5	(1.1)	13.5%	22.4%	0.2%	-49.5%
BTPS	1.1	(1.0)	19.3%	18.4%	0.1%	45.9%

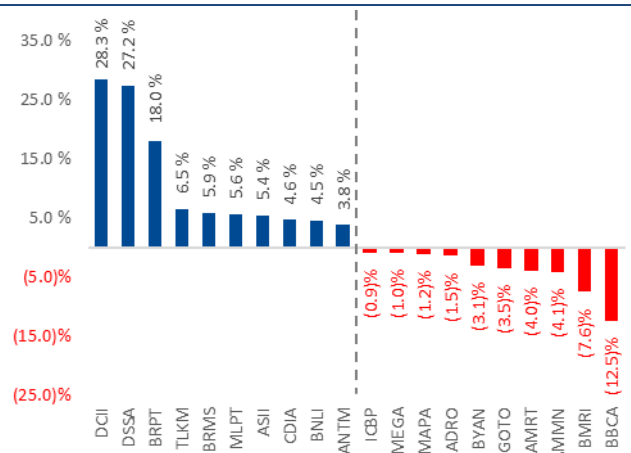
Source: Bloomberg, KSEI, BRIDS Estimates

Exhibit 7. Top 10 JCI Sep25 Mover – Leaders & Laggards



Source: Bloomberg, BRIDS

Exhibit 8. Top 10 JCI YTD Mover – Leaders & Laggards



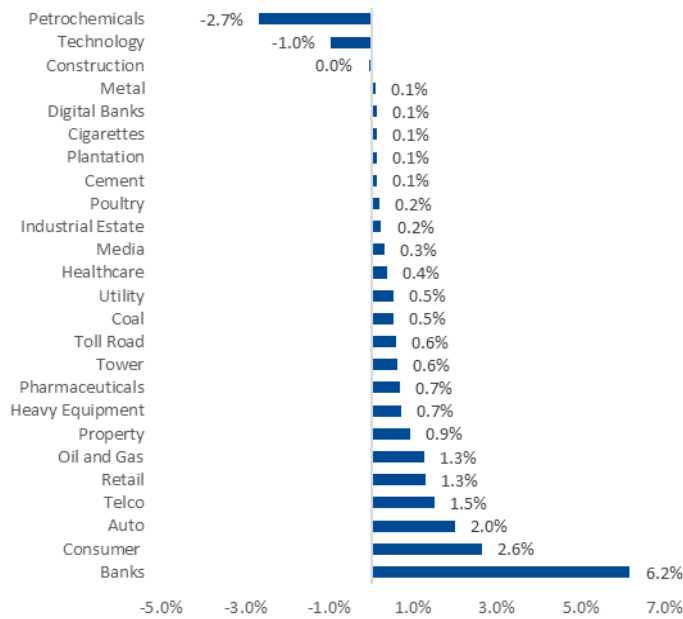
Source: Bloomberg, BRIDS

Exhibit 9. BRIDS Top ‘Value’ Pick Valuation

Company	Rating	Target Price (Rp/share)	Market Cap (Rpbn)	P/E (x)		P/BV (x)		EV/EBITDA (x)		ROE (%)	
				25F	26F	25F	26F	25F	26F	25F	26F
BBCA	BUY	11,900	924,563	15.9	15.1	3.3	3.1	N/A	N/A	21.4	21.0
BRIS	BUY	2,900	119,936	15.4	13.3	2.3	2.1	N/A	N/A	16.2	16.7
TLKM	BUY	3,500	310,065	14.8	14.1	2.2	2.1	4.9	4.6	14.7	15.3
INCO	BUY	4,700	46,059	27.8	17.0	1.0	1.0	8.5	7.1	3.7	5.9
AADI	BUY	9,850	59,180	5.2	4.9	1.1	1.0	2.9	2.5	22.6	21.2

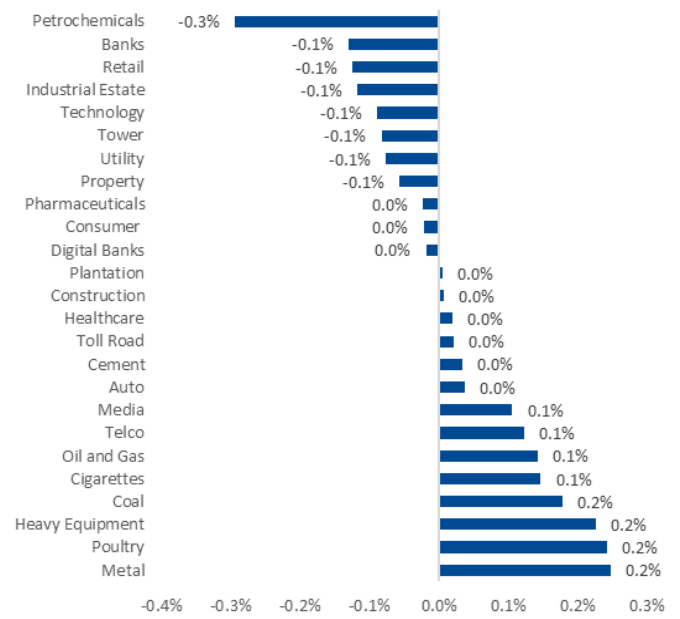
Source: BRIDS Estimates

Exhibit 10. Domestic Fund Positioning Sep25



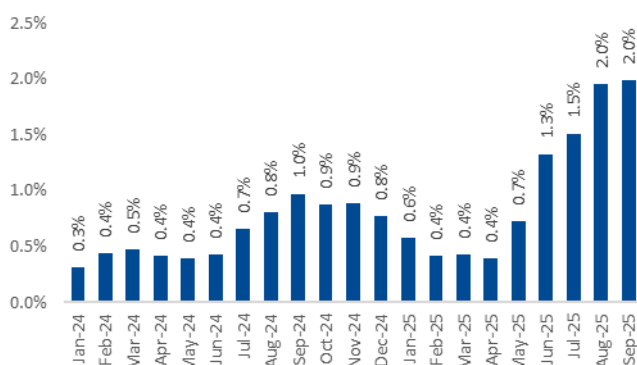
Source: KSEI, Bloomberg, BRIDS

Exhibit 11. Domestic Fund Positioning Sep25 – MoM Changes



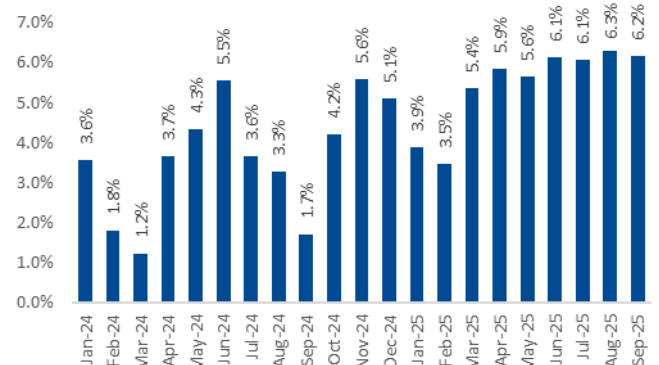
Source: KSEI, Bloomberg, BRIDS

Exhibit 12. Domestic Fund Positioning - Automotive



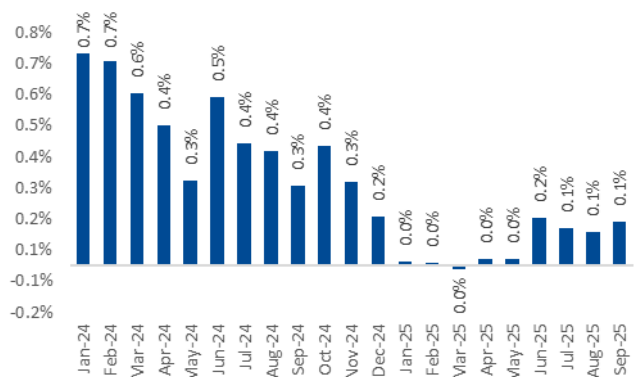
Source: KSEI, Bloomberg, BRIDS

Exhibit 13. Domestic Fund Positioning - Banks



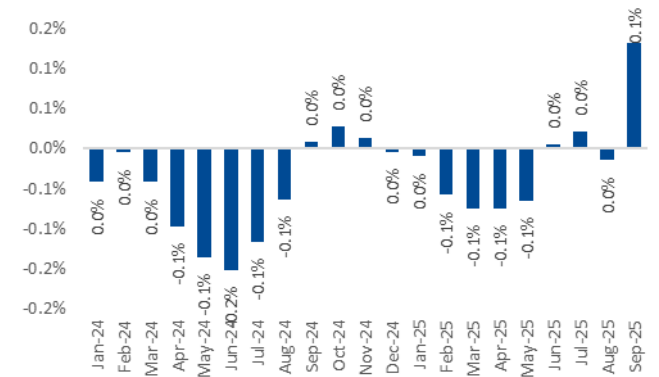
Source: KSEI, Bloomberg, BRIDS

Exhibit 14. Domestic Fund Positioning - Cement



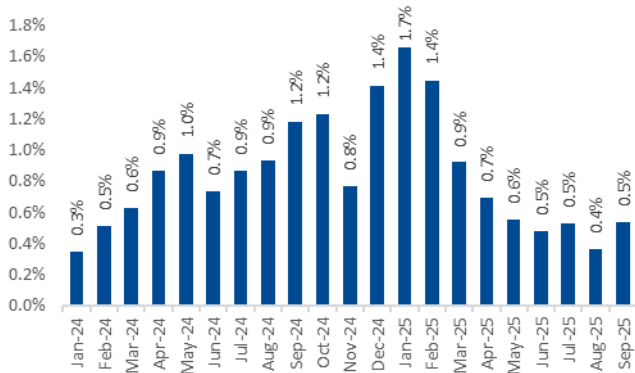
Source: KSEI, Bloomberg, BRIDS

Exhibit 15. Domestic Fund Positioning - Cigarettes



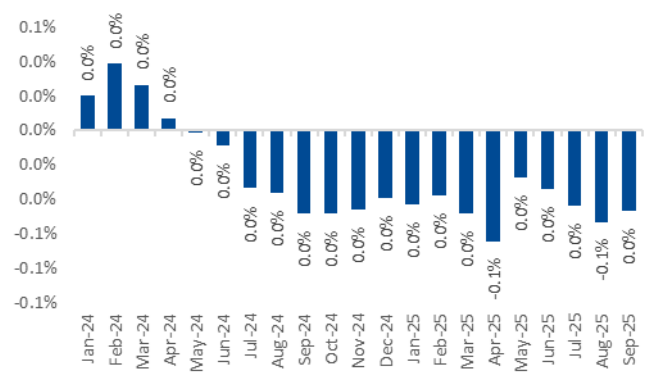
Source: KSEI, Bloomberg, BRIDS

Exhibit 16. Domestic Fund Positioning - Coal



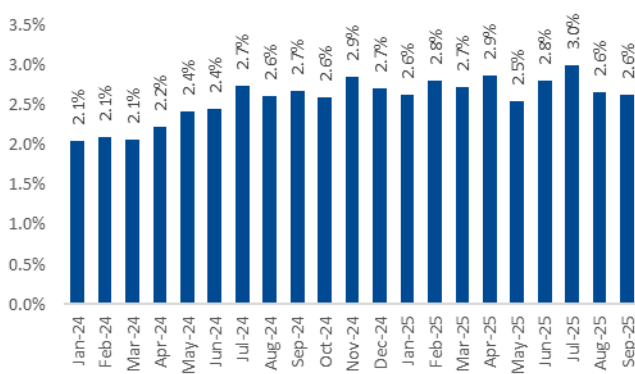
Source: KSEI, Bloomberg, BRIDS

Exhibit 17. Domestic Fund Positioning - Construction



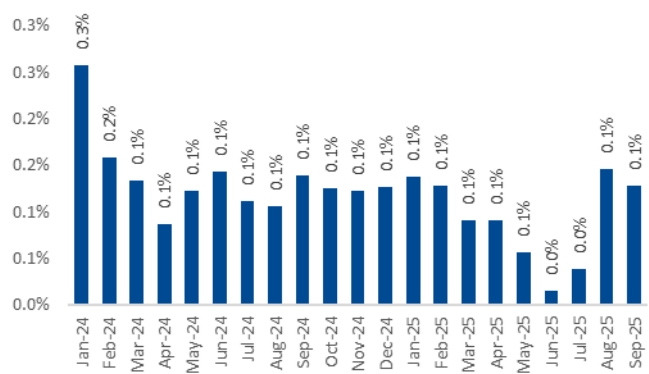
Source: KSEI, Bloomberg, BRIDS

Exhibit 18. Domestic Fund Positioning - Consumer



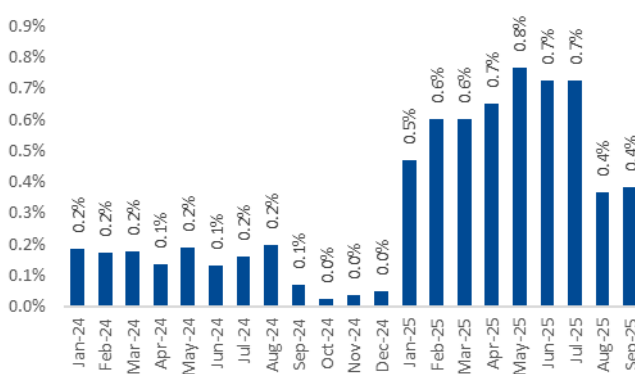
Source: KSEI, Bloomberg, BRIDS

Exhibit 19. Domestic Fund Positioning – Digital Banks



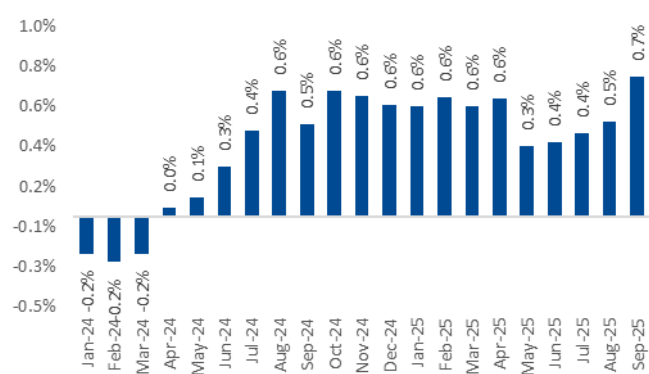
Source: KSEI, Bloomberg, BRIDS

Exhibit 20. Domestic Fund Positioning - Healthcare



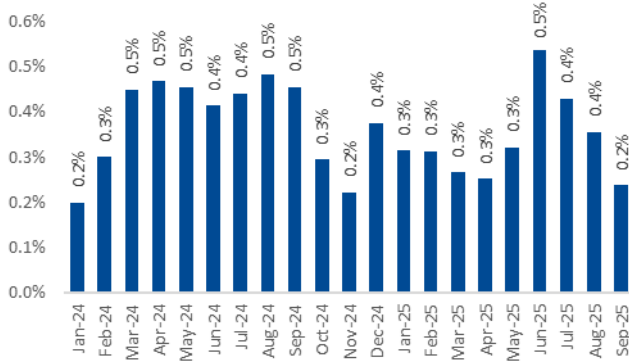
Source: KSEI, Bloomberg, BRIDS

Exhibit 21. Domestic Fund Positioning – Heavy Equipment



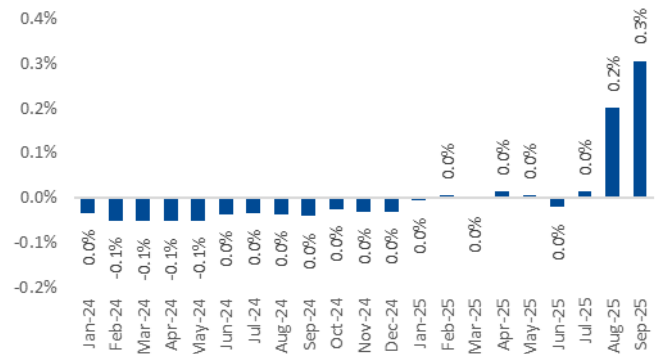
Source: KSEI, Bloomberg, BRIDS

Exhibit 22. Domestic Fund Positioning – Industrial Estate



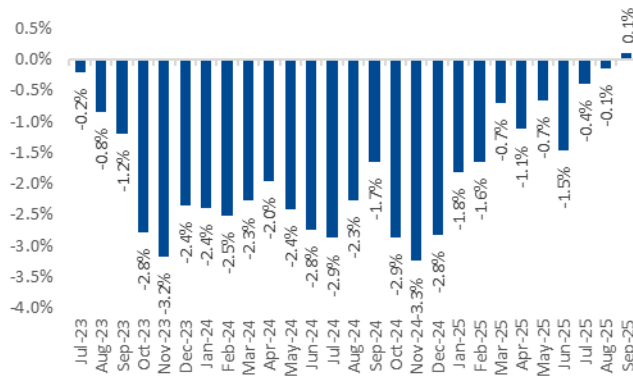
Source: KSEI, Bloomberg, BRIDS

Exhibit 23. Domestic Fund Positioning - Media



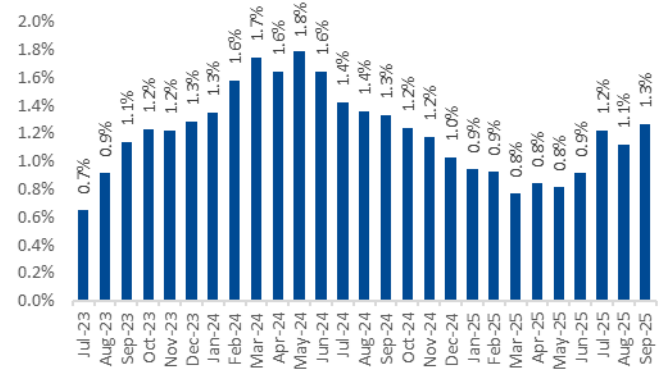
Source: KSEI, Bloomberg, BRIDS

Exhibit 24. Domestic Fund Positioning – Metal



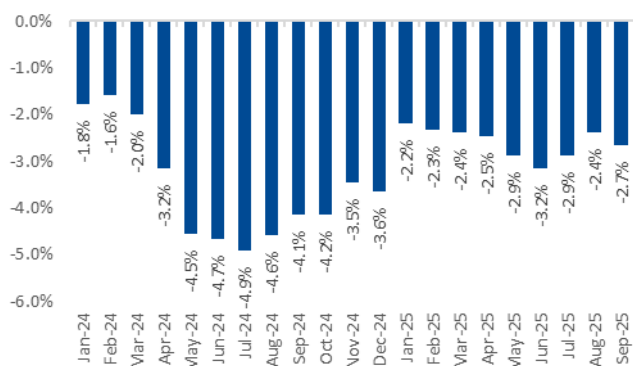
Source: KSEI, Bloomberg, BRIDS

Exhibit 25. Domestic Fund Positioning – Oil and Gas



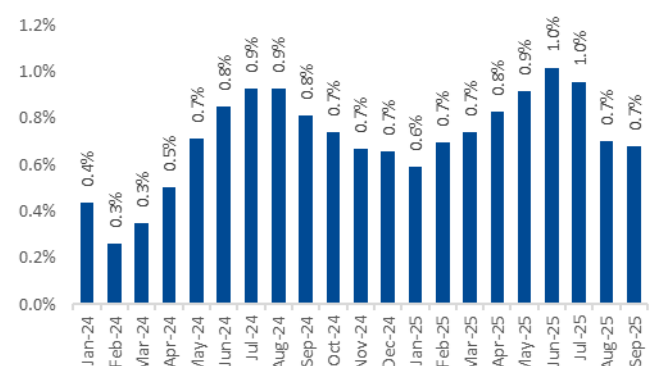
Source: KSEI, Bloomberg, BRIDS

Exhibit 26. Domestic Fund Positioning – Petrochemicals



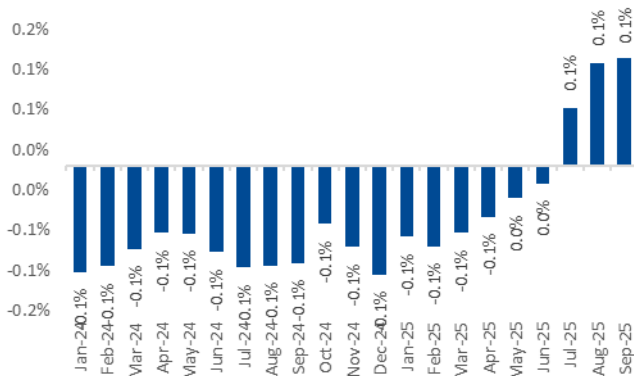
Source: KSEI, Bloomberg, BRIDS

Exhibit 27. Domestic Fund Positioning - Pharmaceuticals



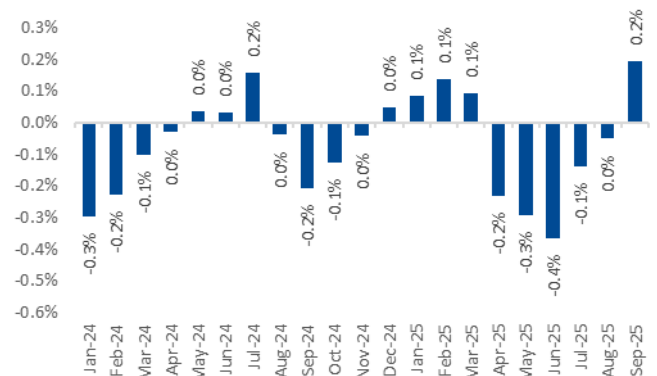
Source: KSEI, Bloomberg, BRIDS

Exhibit 28. Domestic Fund Positioning – Plantation



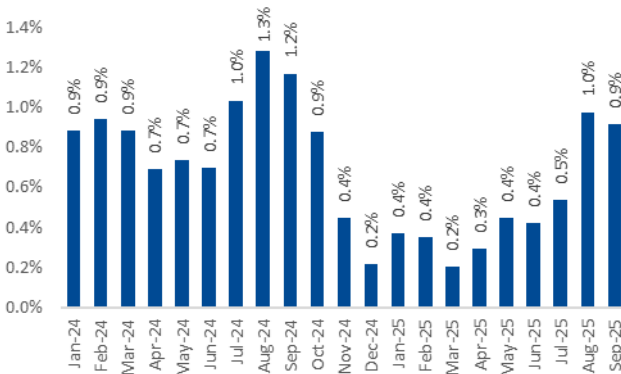
Source: KSEI, Bloomberg, BRIDS

Exhibit 29. Domestic Fund Positioning - Poultry



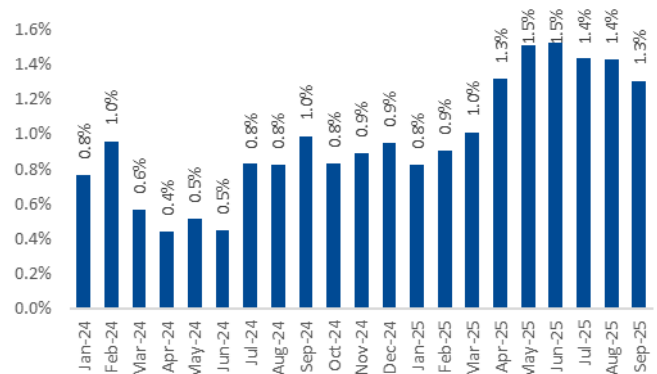
Source: KSEI, Bloomberg, BRIDS

Exhibit 30. Domestic Fund Positioning – Property



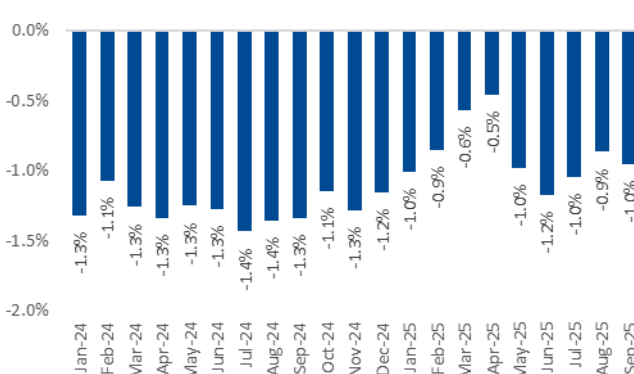
Source: KSEI, Bloomberg, BRIDS

Exhibit 31. Domestic Fund Positioning - Retail



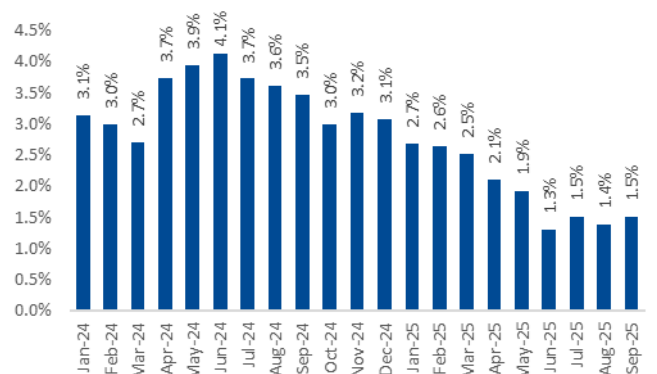
Source: KSEI, Bloomberg, BRIDS

Exhibit 32. Domestic Fund Positioning – Technology



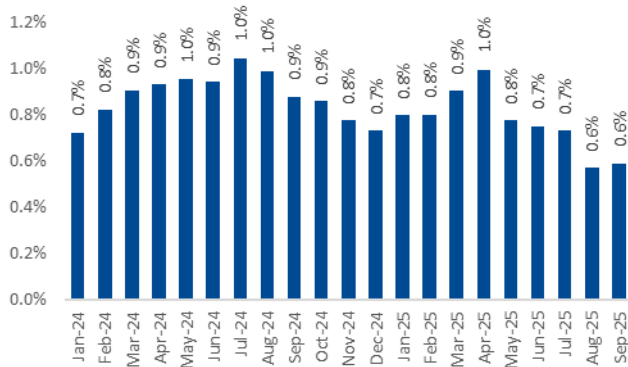
Source: KSEI, Bloomberg, BRIDS

Exhibit 33. Domestic Fund Positioning - Telco



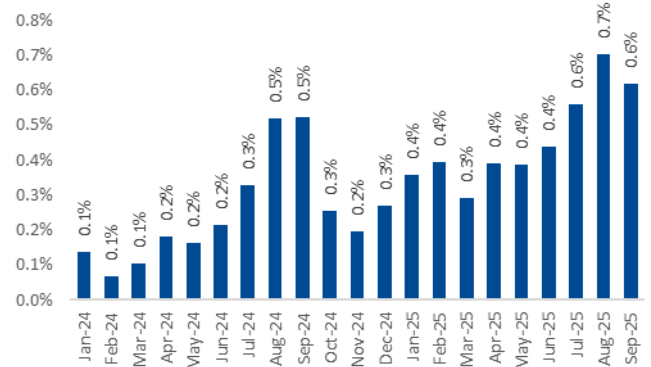
Source: KSEI, Bloomberg, BRIDS

Exhibit 34. Domestic Fund Positioning – Toll Road



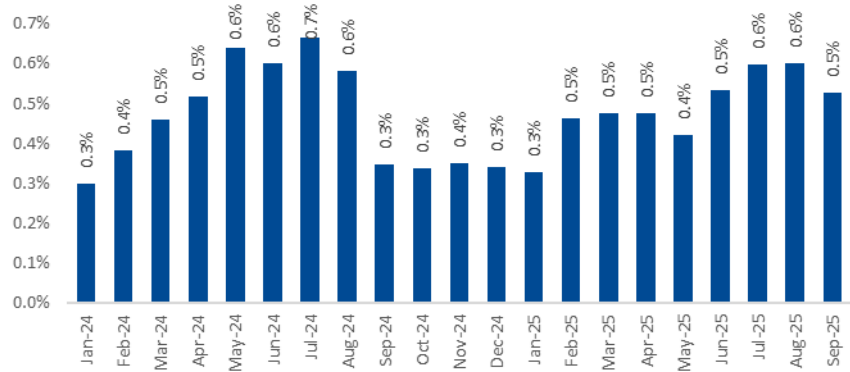
Source: KSEI, Bloomberg, BRIDS

Exhibit 35. Domestic Fund Positioning - Tower



Source: KSEI, Bloomberg, BRIDS

Exhibit 36. Domestic Fund Positioning - Utility



Source: KSEI, Bloomberg, BRIDS

BRI Danareksa Equity Research Team

Erindra Krisnawan, CFA	Head of EQR, Strategy, Automotive, Telco, Technology	erindra.krisnawan@brids.co.id
Victor Stefano	Banks, Poultry	victor.stefano@brids.co.id
Ismail Fakhri Suweleh	Healthcare, Property, Cement, Tollroad	ismail.suweleh@brids.co.id
Christy Halim	Consumer, Retailers	christy.halim@brids.co.id
Nashrullah Putra Sulaeman	Automotive	nashrullah.sulaeman@brids.co.id
Kafi Ananta Azhari	Research Associate, Co-coverage (Telco, Technology)	kafi.azhari@brids.co.id
Ni Putu Wilastita Muthia Sofi	Research Associate	wilastita.sofi@brids.co.id
Naura Reyhan Muchlis	Research Associate	naura.muchlis@brids.co.id
Sabela Nur Amalina	Research Associate	sabela.amalina@brids.co.id

BRI Danareksa Economic Research Team

Helmy Kristanto	Chief Economist, Macro Strategy	helmy.kristanto@brids.co.id
Ebenezer Mesotuhu Harefa	Junior Economist	ebenezer.harefa@brids.co.id

BRI Danareksa Institutional Equity Sales Team

Novrita Endah Putrianti	Institutional Sales Unit Head	novrita.putrianti@brids.co.id
Ehrliech Suhartono	Institutional Sales Associate	ehrliech@brids.co.id
Adeline Solaiman	Institutional Sales Associate	adeline.solaiman@brids.co.id
Andreas Kenny	Institutional Sales Associate	andreas.kenny@brids.co.id
Jason Joseph	Institutional Sales Associate	jason.joseph@brids.co.id

BRI Danareksa Sales Traders

Mitcha Sondakh	Head of Sales Trader	mitcha.sondakh@brids.co.id
Suryanti Salim	Sales Trader	suryanti.salim@brids.co.id

INVESTMENT RATING

BUY	Expected total return of 10% or more within a 12-month period
HOLD	Expected total return between -10% and 10% within a 12-month period
SELL	Expected total return of -10% or worse within a 12-month period

Disclaimer

The information contained in this report has been taken from sources which we deem reliable. However, none of PT BRI Danareksa Sekuritas and/or its affiliated and/or their respective employees and/or agents makes any representation or warrant (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 PT BRI Danareksa Sekuritas, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitations for any claims, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as results of acting in reliance upon the whole or any part of the contents of this report and neither PT BRI Danareksa Sekuritas, its affiliated companies or their respective employees or agents accepts liability for any errors, omissions or mis-statements, 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 the report is not to be taken as any recommendation made by PT 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 regards 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.