INVESTOR DIGEST

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mandiri sekuritas

Economic Data

	Latest	2023F
7-DRRR (%), eop	5.75	6.00
Inflation (YoY %)	5.28	3.80
US$ 1 = Rp, period avg	15,197	15,285

Stock Market Data (06 February 2023)

JCI Index	6,873.8	-0.55%
Trading T/O (Rp bn)	8,653.8	
Market Cap (Rp tn)	9,456.3	

Market Data Summary*

	2022F	2023F
P/E (x)	14.8	14.5
P/BV (x)	2.1	2.0
EV/EBITDA (x)	10.7	11.3
Div. Yield (%)	3.6	3.7
Net Gearing (%)	12.1	8.7
ROE (%)	15.1	14.3
EPS Growth (%)	31.3	2.4
EBITDA Growth (%)	23.7	-5.4
Earnings Yield (%)	6.7	6.9

** Aggregate of 75 companies in MS research universe, representing 54.6% of JCI's market capitalization*

HIGHLIGHT

- *4Q22 GDP: Normalization and Consolidation*
- *Automotive: Mandiri Investment Forum 2023 Key Take Aways – Preparing for the EV Era*
- *Internet: SiCepat Ekpress: MIF 2023 Key Takeaways*
- *Metal: Weda Bay Industrial Park Site Visit - Key Take Aways*
- *Property: Chamber of Commerce Roundtable KTA*
- *Adaro: Mandiri Investment Forum 2023 Key Takeaways (ADRO; Rp2,760; Neutral; TP: Rp3,400)*
- *Batang Industrial Estate: Mandiri Investment Forum 2023 Key Takeaways (Not Rated)*
- *Global Digital Niaga: Mandiri Investment Forum 2023 Key Takeaways (BELI; Rp1,040; Not Rated)*
- *BFI Finance: Mandiri Investment Forum 2023 KTA (BFIN; Rp1,240; Buy; TP: Rp1,600)*
- *Bank Syariah indonesia: Mandiri Investment Forum 2023 KTA (BRIS; Rp1,315; Buy; TP: Rp1,550)*
- *Bank Jago: Mandiri Investment Forum 2023 Key Takeaways (ARTO; Rp3,630; Buy; TP: Rp3,600)*
- *Bank Negara Indonesia: Mandiri Investment Forum 2023 Key Takeaways (BBNI; Rp9,350; Buy; TP: Rp12,000)*
- *Bank Central Asia: Mandiri Investment Forum 2023 Key Takeaways (BBCA; Rp8,725; Buy; TP: Rp9,600)*
- *Saratoga Investama sedaya: MIF 2023 Key Takeaways and Model Update (SRTG; Rp2,340; Buy; TP: Rp3,700)*

ECONOMY

4Q22 GDP: Normalization and Consolidation

- **Normalizing GDP growth. T**he GDP growth decelerated to 5.01% YoY in 4Q22 (vs. our forecast at 4.92%) from 5.73% YoY in 3Q22, with domestic demand slowing to 3.1% YoY from 4.6%. The easing demand was owing to the fading low-base impact of the Delta wave, the diminishing reopening impact, and the fiscal consolidation. On the other hand, net export rose by 86% YoY (due to lower imports amid weaker investment) and prevented the headline GDP growth from falling to <5%.

- **Private consumption normalized.** After the one-off impacts on consumption between 2Q22 and 3Q22 (starting from the economic reopening, to the first open Lebaran post-pandemic, and the low base impact of Delta wave), the consumption normalized to 4.5% YoY in 4Q22 from 5.4% in the previous quarter. In detail, transportation & communication and restaurant & hotel each trimmed to 8.1% YoY and 6.4%, respectively, from 12.9% and 9.1% in the corresponding period. Although the items above slowed (also affected by the fuel price hike), their growth remained above average. Meanwhile, the food & beverage (F&B) demand (accounting for 37% of total consumption) has started to rebound, hitting 3.4% YoY from 2.6% in 3Q22 due to the lower food inflation in Oct–Dec 2022.

- **Across-the-board slowdown in investment.** The gross fixed capital formation (GFCF) eased to 3.3% YoY in 4Q22 from 5.0% in 3Q22. Investments in machinery, equipment, and vehicles slowed to 16.1% YoY from 27.3% in the same period, whereas building and structure investment remained weak, as it grew marginally by 0.1% YoY in 4Q22. We believe the investment slowdown was due to two main factors: i.) Lower commodity prices, especially related to the mining sector, which resulted in lower capital expenditure. Based on our sensitivity, every 10% decrease in coal price would lower the investment growth by 0.2–0.4%. ii.) Potential front-loading in machinery & equipment demand in 3Q22 (outside the mining sector) amid high exchange rate pressure in 2H22.
- **Government expenditure continued to consolidate.** It declined by -4.8% YoY in 4Q22 (vs. 2.6% YoY in 3Q22) owing to fiscal consolidation. This was reflected in the material and social spending, which decreased by -24% YoY and -22%, respectively, in 4Q22. Moreover, the local government spending was likely lackluster in 4Q22.
- **FY2022 GDP: robust recovery.** All in all, the FY2022 economic growth rose to 5.31% from 3.70% in FY2021, thanks to better domestic demand and external balance. Private consumption increased to 4.9% from 2.0% in the same period, led by leisure-related activities (transportation, restaurant, and hotel). Net export also rebounded to 25.4% from -11% since real export growth remained robust, partly owing to the natural resource downstream effect. The solid domestic recovery and external balance provided room for fiscal consolidation, wherein government expenditure decreased by -4.5%. Meanwhile, investment growth was flat, as the rising non-construction investment was offset by weaker construction activities.
- **2023: consumption-driven economy.** Reiterating our view, we think private consumption (accounting for 53% of the GDP pie) will be the driver of this year's economic growth. The fading impact of reopening will be compensated by election-related spending, whereas the manageable inflation environment and better real income growth will outweigh the lower fiscal stimulus. In terms of timeline, the 2H23 economic growth will be higher than in the first semester, as most of the consumption drivers will kick in upon entering 3Q23. On the flip side, investment is projected to remain subdued, as a consequence of normalizing commodity prices (especially the mining-related prices), and to be followed by a higher interest rate environment. We forecast the 2023 economic growth at 4.9% before picking up further to 5.3% in 2024.

GDP SUMMARY

%, YoY	2021	3Q22	4Q22		
			Mandiri	Consensus	Actual
GDP	3.69	5.73	4.92	4.90	5.01
Household consumption	2.02	5.39	4.80		4.48
Government expenditures	4.17	-2.55	1.00		-4.77
Gross fixed capital formation	3.80	4.98	4.40		3.33
Exports of goods and services	24.04	19.41	9.16		14.93
Imports of goods and services	23.31	25.37	7.34		6.25

Sources: BPS, CEIC, Mandiri Sekuritas estimate

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SECTOR

Automotive: Mandiri Investment Forum 2023 Key Take Aways – Preparing for the EV Era

- We hosted a conference call with Alexander Wachtmeister from Boston Consulting Group, Yan Kaili from Wuling Motors Indonesia, Dr. Ali Izadi-Najafabadi from Bloomberg New Energy Finance, Septian Hario Seto from the Coordinating Minister for Maritime Affairs and Investment to hear their views regarding the EV development in global and Indonesia. Key takeaways from the meetings are as follows:
- **Alexander Wachtmeister, Managing Director and Senior Partner at Boston Consulting Group.** Alexander believes that the EV adoption trajectory will accelerate for several reasons: 1) Government regulations across the globe, such as the European Green Deal and the Inflation Reduction Act in the USA. 2) Global OEM companies are announcing new EV products and their exit from ICE. 3) Higher environmental consciousness among consumers. Though the total cost of ownership will decrease over time and battery materials are not an issue, Alex sees that the challenge in mass EV production is to make owning an EV as comfortable as owning an ICE in factors such as charging infrastructure and financing. In order to create demand, Alex sees the need for 1) fiscal incentives in purchasing; 2) financing support; 3) usage incentives, such as preferential lanes; 4) public awareness; 5) sales and distribution; 6) charging infrastructure.
- **Dr. Ali Izadi-Najafabadi, Head of Asia Pacific at Bloomberg New Energy Finance (BNEF).** Ali voiced that the main challenges for EV would be technology cost and supply chain, with the EV battery cost increasing by +7% to USD 151/kWh in 2022, thus reversing the downtrend from USD 732/kWh to USD 141/kWh in 2021. However, BNEF still expects the battery price to trend lower and reach USD 124/kWh in 2025. Regarding the alternatives to lithium batteries, Ali sees that sodium-ion batteries may have a competitive cost and energy density similar to LFP. As another alternative, solid-state batteries promise a higher energy density and are potentially safer. However, the scales of sodium-ion battery capacity at 500 MW and solid-state battery at 40 GW are dwarfed by the lithium-ion battery capacity at 800 GW. As such, he believes lithium-ion batteries will still dominate the supply chain while other alternatives are still developing.
- **Yan Kaili, Chief Financial Officer of Wuling Motors Indonesia.** Yan sees that people in China prefer EVs over ICEs due to factors such as 1) cost-saving; 2) better driving experience, i.e., faster acceleration; 3) quiet cabin; and 4) more tech-savvy consumers seeing EVs as gadgets. Wuling Indonesia is working to capture the EV trend by introducing the Wuling Air EV last year, which has gained traction among customers, including in the fleet sector. Wuling Indonesia plans to roll out more EV products, with the Wuling Air EV being developed on Wuling's Global Small EV Platform. Yan expects more entry-level EVs from that platform.
- **Septian Hario Seto, Deputy Coordinating Minister for Maritime Affairs and Investment.** Seto stated that for Indonesia to compete in the global EV supply chain, it needs to 1) establish minerals downstreaming ecosystems, including those for nickel, cobalt, aluminum, and copper in integrated industrial estates near the mines to optimize logistic costs; 2) provide green energy sources, with Indonesia's large-scale hydro expected to start commissioning by 2030 at a lower carbon emission and competitive pricing of ~USD 6-8 cents/kWh, which is below coal's energy cost. With that, Seto mentioned that the battery price of NCM (90% nickel) produced in Indonesia could be targeted at <USD 90/kWh, thus making Indonesia the ideal EV exporting hub. On the demand side, Seto provided that the government was preparing EV incentives similar to other countries, e.g., a Rp7mn subsidy for 2W EVs and a subsidy to lower the ICE-to-EV conversion cost. Additionally, a lower 2W EV entry price can also be achieved by selling the 2W EV separately from its battery. Besides the Rp7mn subsidy, the 2W EV price will be on par with the existing popular ICE. However, Seto sees that the government's role is crucial in jumpstarting the initial investments in battery swaps, charging stations, and the grids.

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Internet: SiCepat Ekpress: MIF 2023 Key Takeaways

- Established in 2014, PT SiCepat Ekspres Indonesia (SiCepat) is a leading end-to-end e-commerce enabler and supply chain solutions provider in Indonesia. The company participated in our conference, sharing some insights on its business model along with the normalizing industry trends post-pandemic. In 2023, SiCepat's strategy focuses more on profitability over volume growth. As a privately owned company, SiCepat is not listed on any stock exchange.
- **Company background.** Founded in 2014, SiCepat has grown into a leading end-to-end e-commerce enabler and supply chain solutions provider with a large distribution network in all major cities and provinces in Indonesia. It is now positioned among the largest three along with Shopee Express and J&T. SiCepat's key business units include LDN (first-mile aggregator), CKL (mid-mile aggregator), SiCepat (last-mile logistics), Haistar (warehouse and fulfillment), Clodeo (IT and system support), and Volta (2W EV). As a privately owned company, SiCepat is not listed on any stock exchange.
- **Business model.** SiCepat has a decentralized business model, with individual outlets wholly operated on their own, providing a competitive advantage. This allows for reduced lead times, high SLA performance, easy adaptation to new business environments, and seamless resource allocation. SiCepat employs full-time drivers, who receive monthly salaries and benefits, and "*mitra*" drivers, who are paid per package. Full-time drivers are considered more reliable and cost-effective, whereas *mitra* drivers tend to be unreliable. SiCepat has also implemented automation in its warehouses to reduce manpower costs.
- **Industry trends.** In 2022, the logistics industry faced unexpected developments. The rapid return to normalcy after the relaxed COVID-19 restrictions resulted in a decline in parcel volume, causing companies to close unprofitable outlets, reduce capacity, and cut back on couriers. Despite this decrease, SiCepat's FY22 revenues saw a slight increase due to a rise in fuel prices. SiCepat capitalized on this momentum by adjusting its prices, having lowered them in the first half of the year due to overcapacity.
- **SiCepat has initiated a collaboration with TikTok Shop**, as the platform has seen exponential growth in parcel volume. This partnership has the potential to improve SiCepat's volume. However, the pandemic has resulted in Shopee expanding Shopee Express, causing a decrease in SiCepat's market share. Therefore, SiCepat is focusing on its subsidiaries, including CKL and Volta, which can help expand the first- and mid-mile processes. SiCepat is also a cost-efficient option for delivery, as it operates its own drop-off points, making it still an attractive option for Shopee.

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Metal: Weda Bay Industrial Park Site Visit - Key Take Aways

- On 30-Jan-2023, we visited the Indonesia Weda Bay Industrial Park (IWIP), which is accessible by 4 hours of connecting flights from Jakarta. Since it started in 2018, IWIP's nickel production has ramped up significantly and is expected to reach ~600k tons in 2023. ANTM has a 10% stake in PT Weda Bay Nickel, which operates an RKEF smelter at IWIP.
- **Weda Bay Industrial Park site visit.** We visited the Indonesia Weda Bay Industrial Park (IWIP) on Monday, 31-Jan-2022. The industrial park is in Central Halmahera Regency, North Maluku Province. Weda Bay's development started in 2018, with the first RKEF operation in 2020. Since then, the industrial park has significantly ramped up its production and currently has 66 RKEF lines (10k-14k tons per line), with 48 lines currently under operation. IWIP also has 3 HPAL projects under development, with a total capacity of 300k tons Ni per year, operated by Huayou and Eramet, and with Huayou's first phase of production (120k tons Ni capacity) expected to commence in May-2023. The operating smelter is currently powered by a 2.26-GW coal-fired power plant, with another plant (2.28 GW) under construction.
- **IWIP to IMIP comparison.** The success of the Indonesia Morowali Industrial Park (IMIP) has set the foundation for the development of IWIP. In comparison, IMIP focuses more on stainless steel and carbon steel production, with 5mn tons

and 4mn tons of capacity each year, respectively, while IWIP focuses more on battery material production. Given its construction started earlier in 2013, IMIP has a more developed infrastructure. However, in terms of nickel processing capacity, IWIP has significantly caught up with its Ni production, reaching ~400k tons, which will increase to 600k tons in 2023 and be roughly the same as IMIP's nickel production. Given its higher amount of nickel resources, IWIP is expected to have more production facilities than IWIP.

- **Tsingshan group to slow down new nickel capacity.** The management said that the nickel supply-demand gap had been met, given the significant production ramp-up over the past few years. As such, the Tsingshan group will now focus more on developing further nickel downstream processing facilities and slow down in adding more capacities. The management also sees the nickel price equilibrium to be at USD 18,500, thus making nickel adoption in various applications attractive, whereas the significantly high prices could deteriorate nickel attractiveness. Under the Eternal Tsingshan group, Tsingshan operates Indonesia Morowali Industrial Park, Indonesia Weda Bay Industrial Park, Indonesia North Kalimantan Industrial Park, and India CSPL.
- **ANTM has 10% stake in PT Weda Bay Nickel.** Aneka Tambang has a 10% stake in PT Weda Bay Nickel (WBN), which operates an RKEF smelter at IWIP with a capacity of 30k tons Ni per year. ANTM booked Rp673bn (+96% YoY) equity income from associates as of 9M22, mainly from its 10% stake in Weda Bay Nickel.

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Property: Chamber of Commerce Roundtable KTA

- We hosted a roundtable session with the Chamber of Commerce's (KADIN) Property division, headed by Budiarsa Sastrawinata, who is also a director at the Ciputra group and President of FIABCI. They are upbeat on FY23 industry performance, elections notwithstanding, on the high-rise market and on the new capital city.
- **Positive on FY23 view, elections notwithstanding.** Elections typically impact property sales adversely and this has been reflected in developers' guidances for the year. KADIN sees it differently however and expects stronger-than-expected sales this year. Particularly, they are constructive on the cash handout angle supporting purchasing power. Structurally, KADIN also sees less volatility over time as Indonesia's population gets used to election cycles and currently end buyers are the main target market.
- **Low-end still the main driver.** Affordability remains key for sales growth. In regards pricing, KADIN shares the view of the mass market being the sub-Rp 2bn/unit market, a common reference point when compared to wages and income across larger cities.
- **High-rise market to recover gradually as lifestyles adjust.** The high-rise market is seen as a solution to transport issues in metropolitan cities, and KADIN expects falling inertia as the younger generations warm up to high-rise living. KADIN also pointed out that the pandemic occurrence of landed housing preferential over high-rise should not be permanent given the convenience of high-rise dwellings in maintenance and connectivity. In this light, KADIN views recovery in the high-rise market should take place organically.
- **Foreign ownership more feasible** Further, foreign ownership rules have been eased with freehold strata titles now open to ownership by non-citizens, including those on holiday visas; this relaxation was part of the omnibus laws. Enquiries currently come from Singaporeans and mainland Chinese. Key attractions for foreign buyers are Indonesia's relatively low property prices compared to ASEAN countries, and growing middle class and urbanization.
- **New capital city will include commercial projects and aims to be self-sustaining city.** According to KADIN, developers are keen on participating in the new capital city as it will include a large area for commercial project development, encompassing residential homes, shopping malls, hotels and other amenities. Ownership title in the

commercial areas is planned to be freehold. IKN aims to be a self-fulfilling city interlinked with the upcoming Kaltara project, hence should not be compared to peer capital cities such as Malaysia's and Australia's. Access to IKN is now served by the Balikpapan and Samarinda airports being a 50 min car ride from either airport.

- Our preference for CTRA among property developers stems from its geographic and price diversification. We share the conservative view of developers in regards FY23 demand, and that high-rise recovery remains further down the horizon.

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CORPORATE

Adaro: Mandiri Investment Forum 2023 Key Takeaways (ADRO; Rp2,760; Neutral; TP: Rp3,400)

- ADRO guides +3–5% higher thermal coal volume and higher ADMR's coking coal at 4.1mn tons. While we believe ADRO offers attractive long-term growth prospects, considering its aluminum smelter will start groundbreaking this year, our neutral call is due to this year's softer coal price outlook.
- **Management guided +3–5% higher volume.** The management mentioned that ADRO's FY22 coal production had exceeded the guidance of 58mn–60mn, with a strip ratio of <4x. ADRO guided a 3–5% increase in production this year, and the management mentioned that heavy equipment availability is still an issue. The additional volume is from Balangan Coal and MIP Mine, while Adaro Indonesia is expected to be flat. Meanwhile, ADMR's coking coal production is also on track to reach 2.8mn–3.3mn tons and this year's target of 4.1mn tons, with additional smaller barges needed to increase production. The management guided a higher absolute amount of dividend but a lower dividend payout ratio for FY22 earnings. ADRO has announced an interim dividend of USD 500mn, or 26% of the 9M22 net profit of USD 1.9bn, which was lower than 45% historically.
- **Aluminum projects to start groundbreaking this year.** ADRO will start the groundbreaking of its aluminum smelter this year alongside the construction of a coal-fired power plant of 2x380 MW to supply energy initially. The first phase of aluminum production is expected to commence in 2025 at 500k tons of capacity, partnering with ADRO (65% stake), CITA (12.5%), and Lygend (22.5%). The cost structure is expected at 50% energy, 30% raw material, and others. The company has also signed an MOU with Hyundai on the right to purchase the aluminum produced by KAI to offtake 50-100 ktpa from the aluminum smelter.
- **1.5-GW hydropower generation.** Though the initial energy supply will come from a coal-fired power plant, ADRO plans to build a large-scale hydropower plant, with an initial capacity of 1.5 GW, which requires an initial investment capex of ~USD 3.0bn. ADRO will work with a partner that has experience in building a large-scale hydropower plant.
- **Reiterate Neutral with Rp3,400 TP.** We believe ADRO's share price will be negatively affected by softer coal prices this year. Despite that, we believe ADRO offers attractive long-term growth prospects, given its plan to expand into building an aluminum smelter and into the green industrial park; the latter is part of its long-term strategy to balance its business model and reduce revenue concentration in coal.

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Batang Industrial Estate: Mandiri Investment Forum 2023 Key Takeaways (Not Rated)

- Batang Industrial Estate attended our conference and was represented by its Marketing Manager and Corporate Communication team. As part of the government's strategic project, KIT Batang offers attractive pricing at Rp750k/sqm for 80 years of ownership (Cluster 1 – Phase 1) and a 5-year grace period for payment. At this stage, the company is offering its Phase 2 of Cluster 1 development (400 ha), with 1,000 ha of inquiries coming in.
- **Batang Industrial Estate at a glance.** The company was established in 2020 as part of the government's strategic project (PSN) to capture the factory relocation from China. The Batang Industrial Estate (KIT Batang) offers 4,300 ha of land and is divided into 3 clusters: 1) the industrial estate (3,100 ha); 2) the innovation estate and township (800 ha); and 3) the recreational estate and township (400 ha). The majority of its stakes are owned by PT Kawasan Industri Wijaya Kusuma at 97.35%, while PTPP has a 1.72% stake. This industrial estate has strong support from the government through Presidential Decree No. 106 2022.
- **What makes KIT Batang attractive?** Compared to other industrial estates, KIT Batang offers very attractive pricing, a flat price of Rp750k/sqm for 80 years of ownership (Cluster 1 – Phase 1). The ownership scheme is a leasehold (*hak pakai*) scheme. Moreover, the estate is located strategically next to the Trans Java Toll Road (4-hr dive to Jakarta and 1-hr drive to Semarang), a 1-hr drive from Ahmad Yani International Airport and connected with a double-track railway. Given the government's strong support to the area, KIT Batang provides several incentives: 1) a 5-year grace period for payment (20% payment upon signing and 80% after 5 years; with no minimum order); and 2) capex such as for roads and residential flats will be borne by the state budget.
- **Cluster 1 - Phase 1: 100% of the land sold in just 18 months.** KIT Batang's Cluster 1 Phase 1 consists of 450 ha of land, with 224 ha for industrial, all sold-out in just 18 months (vs. target of 8 years). Most of the tenants are chemical, healthcare-related businesses, e.g., 1) LG Consortium (67 ha; to be confirmed but in high-level discussion); 2) KCC Glass Indonesia (46 ha); 3) RKI (13.8 ha); 4) Yih Quan (16.4 ha). There are 13 tenants in the current first phase, and the factory development is expected to be complete by early 2024.
- **Cluster 1 – Phase 2: incoming inquiries of 1,000 ha.** KIT Batang's Cluster 1 Phase 2 consists of 400 ha of land, plotted by the government for EV-related and EV-supply-chain businesses. At this stage, the company has not officially started the sale but has received ~1,000 ha of land inquiries, mainly from EV supply chain businesses, and ~40% of the inquiries are related to EV batteries. The company mentioned that the pricing for Phase 2 would be ~Rp1.3mn/sqm for 80 years of ownership. At this stage, KIT Batang and the Ministry of Investment (BKPM) are still selectively choosing the prospective tenants.

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Global Digital Niaga: Mandiri Investment Forum 2023 Key Takeaways (BELI; Rp1,040; Not Rated)

- Founded in 2011, PT Global Digital Niaga (BELI) now operates an integrated omni-channel ecosystem supported by nationwide fulfillment capability. Thanks to its omni-channel strength, along with the OTA exposures, BELI has been able to deliver strong top-line growth in 9M22. BELI continues to focus on strengthening its O2O presence, along with increasing the ecosystem synergies. It aims to reach EBITDA breakeven in 2-3 years.
- **Company background.** Founded in 2011 as a B2C retailer of consumer electronics on Blibli.com, BELI has since expanded into other product categories and customer segments, acquiring leading OTA provider *Tiket.com* for travel and lifestyle experiences and leading premium grocery retailer *Ranch Market* for groceries and fresh food offerings. With 33 multi brand stores, 69 mono brand stores, and 70 supermarkets, BELI leverages a unique omni-channel strategy to provide seamless shopping experiences. BELI also leverages its rich customer data points to strengthen its business decision and

drive growth, such as building trust and loyalty programs and improving customer retention and AOV. Recently, BELI introduced a single sign-on across its platforms.

- **Unique omni-channel strategy.** BELI operates an integrated omni-channel ecosystem with four segments: 1P Retail (Blibli), 3P Retail (Blibli and Tiket.com), Institution (Blibli), and Physical Stores (Blibli, Ranch Market, along with consumer electronics stores). The company targets mid to upper class segments and has fulfillment infrastructure focused on urban areas, with 15 warehouse networks totaling 130k sqm in areas. BELI also offers various payment options, including Blibli PayLater, and is supported by 1PL and 3PL services.
- **Partnership with Apple.** At the end of last year, BELI formed strategic partnership with Apple as a Tier 1 retail partner. BELI manages the import, distribution, and offline stores for Apple products, including its first offline store, Hello. The partnership allows BELI to receive the whole value chain margin and aims to expand the Apple brand distribution across its ecosystem. We should start to see the contribution from the Apple partnership in 2023. As of 4Q22, BELI also operate 102 mono-brand and multi-brand physical stores with brands such as Samsung, Vivo, and Oppo.
- **Financial updates.** BELI's 9M22 1P Retail TPV grew 49% YoY to 7.3trn, driven by digital products (39% YoY growth) and consumer goods (36% YoY growth). 3P retail grew 143% to 24.3trn, driven by the return of travel and leisure from Tiket.com (62% YoY growth). Net revenue reached 10.5trn, growing 98% YoY, with a GPBD of 1.8trn (167% YoY growth) and a 4.5% blended take rate. Transacting users increased 79% YoY to 4.3mn, and AOV increased 44% YoY to Rp1mn. Operating costs as a percentage of TPV improved 2.4% YoY to 11.1%, with a decrease in advertising and marketing spend and optimization of warehousing, packaging, and delivery. This resulted in an -8.5% EBITDA loss of 3.4trn in 9M22, an improvement of 2.8% YoY from 9M21. BELI aims to reach EBITDA positive in 2-3 years.
- **Not rated.** We neither have rating nor PT on the stock.

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BFI Finance: Mandiri Investment Forum 2023 KTA (BFIN; Rp1,240; Buy; TP: Rp1,600)

- BFIN attended MIF 2023 represented by its CFO, Head of Treasury, and IR team. Main points to highlight during discussion are strong 4Q22 results and BFIN's target to double its receivable book size by end of 2025 by leveraging a strong combination of its physical agents & branches distribution networks and digitalized disbursement and collection capabilities. Maintain BUY.
- **Record high on new bookings in 4Q22.** BFIN managed to book Rp6,4tn new bookings in 4Q22, 22% higher than the previous record high of Rp5.2tn in 3Q22. Total bookings in 2022 grew by +47% YoY to Rp20.1tn mainly driven by non-dealer financing (NDF) – the core product of BFIN which constitute ~70% of total bookings in 2022 (58% came from 4W NDF and 12% came from 2W NDF). Repeat order customers account for ~42% of total disbursement in 2022. We highlight that BFIN has an aspiration to grow businesses other than NDF more rapidly going forward. Management expects that ideally NDF products should account for ~65% of total bookings, vs. current contribution of 70%.
- **Impressive asset quality management.** BFIN managed to trim down its NPF from 1.1% in 3Q22 to 1.0% in 4Q22. Total restructured loans continued to decline to 1.6% of which ~1.3% already make regular payment but still flagged under restructured loans book. Write-off portions also declined to 1.8% in 2022 vs. 4.0% in 2021. Meanwhile, NPL coverage stands at 4.1x in 2022, declined from 4.2x in 3Q22, far higher than pre-pandemic level of 1.9x.
- **Future outlook.** BFIN aims to double its current receivables book by end of 2025 by leveraging its vast agent and branch distribution networks across the nation – BFIN now has ~10k non-exclusive agents (~2k are productive agents) spread across Indonesia. To note, BFIN applies no clawback provisions in all of its arrangements with its agents as all of the credit scoring and risk management analysis are done by BFIN. In addition, BFIN has been strengthening its digital capabilities to further enhance the efficiency of the company's disbursement and collection processes which so far has brought visible positive impacts.

- Though Bank Indonesia has increased the benchmark rate by 225bps from its lowest point of 3.50%, management only expects about 50-70bps increase in 2023F cost of funds. In 2022, BFIN continued to secure its external funding balances to ensure more optimized capital structure and hence a more lucrative mix of its profitability (ROE) and growth going forward. External funding stands at Rp11.9tn in Dec-22, vs. Rp10.3tn in Sep-22.
- **Details on LTV.** BFIN offers: i). 70%-90% LTV for its 4W NDF products with average ticket size of Rp80mn/contract; ii). 60%-80% LTV for its 2W NDF products with average ticket size of Rp7mn/contract; and iii). 70%-90% LTV for its dealer (both 2W and 4W) financing products with average ticket size of Rp126mn in 2022.

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Bank Syariah indonesia: Mandiri Investment Forum 2023 KTA (BRIS; Rp1,315; Buy; TP: Rp1,550)

- BRIS attended MIF 2023 represented by its CFO and IR team. The bank booked Rp4.3tn net profit in 2022 and guides 17%-29% NPAT growth in '23F. BRIS has successfully built reputable funding franchise and now will continue its journey by optimizing cost of credit and product holding per customer to further improve profitability and exploring growth opportunities. Maintain BUY.
- **2023F Guidance.** The bank shared some of 2023F guidance in our conference:
  1) Loan growth guidance is conservatively set at 13%-15%, mostly will still be driven by consumer loans – much loan growth uncertainties are coming from corporate segment.
  2) Third party funds growth of 10%-12% – below loan growth level, implying FDR will continue to increase.
  3) NIM within 5.9%-6.1% cost of funds pressure will be offset by optimizing loan mix more towards consumer segment.
  4) NPF within 2.1%-2.3% range with NPL coverage ~190% level and credit cost at ~1.5%. The bank has an aspiration to increase the coverage to be above 200% to be par with peers and to prepare to fully conform to IFRS 9.
  5) NPAT of Rp5.0tn-Rp5.5tn which implies 17%-29% growth in 2023F.
  6) The bank aims to possess ~30mn customer base by 2025, vs. current customer base of 18mn.
- **Next focus: optimizing credit cost and product holding/customer.** The bank has successfully built reputable funding franchise – its cost of funds is among the lowest in the industry partly underpinned by Wadiah saving products. As the next steps, the bank will i). optimize its cost of credit by ensuring sufficient coverage for its legacy loans (c. 43.2% of total loans in 2022) and ii). increase the product holding/payroll customer from 2.5/payroll customer in 2022 to 3-4/payroll customer. This can be done by enhancing digital banking capabilities (i.e., UI/UX of mobile banking product and digital product enrollments).
- **Outlook for non-interest income.** We believe that the bank's non-interest income is yet to be optimized in future. 2022 non-interest income is understated as hajj and umrah activities were not fully captured due to Covid-19 travel restrictions. Furthermore, the bank is now willing to test the sharia wealth management and insurance (i.e., takaful) to further increase the fee-based income. As a comparison, AXA Mandiri Financial Services recorded ~Rp1.2 net profit from about 32mn BMRI customer base, implying ~Rp36.6bn additional profit per 1mn customer base. If we were to assume BSI profit per 1mn customer base could reach half of AXA Mandiri (i.e., Rp18.3bn), there could be another 6.0%-6.6% NPAT boost to the 2023F profit guidance.
- **Maintain BUY with TP of Rp1,550/share.** Management continuously delivered their targets to investors and is capable to map their focus going forward. Management main focus in 2023 are to optimize credit cost and increase the product holding/payroll customer and hence minimize CASA leakage. Maintain BUY.

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Bank Jago: Mandiri Investment Forum 2023 Key Takeaways (ARTO; Rp3,630; Buy; TP: Rp3,600)

- Loan outstanding from GoTo ecosystem is expected to ramp up in FY23 while direct lending capacity will be built up parallel to stronger partnership-based lending activities. Bank Jago sees no challenge in funding growth in FY23 given sufficient capital base and expects 15%-20% opex growth p.a. in FY23-FY24.

- **Lending**
  - Bank Jago targets US$200mn-300mn loan outstanding from GoTo ecosystem in FY23. GoTo-related loans will have tenor from 2 to 12 months, hence the targeted loan disbursements for the year will be higher than the targeted loan outstanding. As of FY22-end, less than 2% of Bank Jago's total loans came from GoTo ecosystem.
  - Around 22% of Jago's loan portfolio comes from Amaan, a sharia-compliant lending fintech partner, as of Dec-22 end. The sharia-compliant loan portfolio has up to 22% NIM, ~4% NPF rate and 5-6% credit cost as of FY22.
  - Bank Jago has an average approval rate of 88% for loan applications proposed by its lending partners. Bank Jago will continue to add new lending partners while simultaneously builds its own direct digital lending capacity. The bank will not cannibalize the customer base of its existing lending partners with its direct digital lending services.

- **Funding**
  - Bank Jago added 3.7mn new deposit customers in FY22, of which ~1.6mn users are from GoTo ecosystem. Customer acquisition cost used to be US$7/user but has improved to US$5/user today. In particular, customer acquisition cost via GoTo ecosystem is only US$1.5/user. Customers from GoTo ecosystem also has better average funding balance than customers acquired directly by Bank Jago. The size of overlap between funding customers and lending customers is ~600,000 users today.
  - Around 78% of Bank Jago's total customers is of below 40 year old segment and ~50% is of below 30 year old segment. On average, a retail deposit customer has average deposit balance of ~Rp1.5mn today.
  - Bank Jago does not foresee any difficulty in funding its loan growth and funding growth can be ramped up through pricing adjustments when the business case justifies the bank to do so. Bank Jago has recently increased its 1-month TD rate to 5.00%-5.25% and the TD deposits value split between institutional and retail is at 75% vs 25% today. Bank Jago can also do structured funding to support business growth, depending on pricing and lending growth traction.

- **Product Portfolio**
  - Bank Jago currently does not have as many features as the digital & mobile banking app of the big conventional banks. The bank, however, will work to narrow this portfolio gap by adding new features, such as QRIS payment feature (by mid-February 2023), forex license acquisition (by 4Q23), and direct lending product (in 2H23). Additional wealth management features will follow in 2023 too.
  - Bank Jago is also working on card-based lending product with overdraft limit and small-sized consumption loan facilities to Jago customers. Bank Jago is currently whitelisting more customers based on transaction & purchase activities with the bank.

- **Opex**
  - Bank Jago spent US$70mn opex in FY22, of which 33% went for manpower, 50% for technology & IT depreciation, 19% for promotion & customer engagement, and the rest for others.
  - Bank Jago targets 20% opex growth in FY23 and 15% opex growth in FY24. Bank transfer cost is also a growing cost item in-line with the customer base expansion, though BI FAST platform adoption should help reduce the average cost of bank transfer at Bank Jago going forward.
  - Bank Jago budgeted US$40mn for capex in FY22 but only spent US$30mn. The bank again budgets US$40mn for capex in FY23, which will be used for core banking system development and self-developed direct lending platform. Bank Jago sources its wealth management and treasury platforms from external parties – a common practice for scale efficiency.

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Bank Negara Indonesia: Mandiri Investment Forum 2023 Key Takeaways (BBNI; Rp9,350; Buy; TP: Rp12,000)

- BNI continues to shift loan mix to top tier corporates and payroll loans in 2023 as part of portfolio de-risking strategies. Regulatory changes and higher ROEs support for higher dividends ahead, while digital bank JV makes steady progress and could help elevate future NIM & SME loan mix.

- **Lending**
  - BNI targets 7%-9% loan growth in FY23 and the bank will continue to expand its top tier corporate client base for the next 2-3 years. Top tier corporate loan outstanding grew ~30% YoY in FY22 and top tier corporate loan portion to total corporate loans has increased from 25% in FY21 to 33% in FY22. The target is to increase that ratio to 70% over the next few years.
  - BNI's SME loan growth will focus more on quality over quantity. The bank's SME loan balances, especially from the Medium segment, will also benefit from selective client reclassification from Corporate to Large Commercial.
  - BNI's KUR Kecil growth in FY23 is expected to be similar with in FY22. BNI's KUR Kecil is different from BRI's KUR Mikro as BNI's KUR Kecil has loan ticket size range of Rp100mn to Rp500mn and ~11% average loan yield.
  - BNI has ~3.7mn payroll deposit accounts today but only 8% of the payroll customers today take up the bank's payroll loan product. The bank's average loan yield from payroll loan product ranges at 10%-13% and is offered with up to 5 year tenor (latest average tenor is 3 years). The bank will continue to push its payroll loan adoption and has recently incorporated payroll loan growth targets into the Consumer Banking team's KPI.

- **Funding**
  - BNI saw one-off CASA add of ~Rp40tn in 4Q22 from the Government's payment of energy subsidy compensation to PLN & Pertamina. Out of the ~Rp40tn CASA balance deposited in 4Q22, ~Rp25tn has exited the bank and majority of it was denominated in IDR.
  - BNI's FX LDR was stretched to 113% level as of June 2022 and that urged BNI to increase its FX TD rate twice by 100bps or so, which explained BNI's cost of fund increase in 4Q22. FX LDR already improved to below 100% by December 2022, so BNI has re-adjusted down its FX TD rate. Today BNI offers counter USD TD rate of 1.2%-1.5%.

- **FX Export Proceeds Fund**
  - BNI will participate in Bank Indonesia's program to host FX export proceeds in the domestic financial system. BNI's responsibility is to collect the FX deposits and pass them to Bank Indonesia. This arrangement will not affect the calculation of customer deposit base, liquidity ratios, and other deposit-related fees.
  - BNI booked average loan rate of 5.27% at latest, of which mostly is derived from corporate loans and in-line with SOFR trend.

- **CAR & Dividends**
  - BNI aims to maintain steady Tier-1 CAR of 17%-18% and this will be supported by steady ROE outlook at 15%-16% in the next few years.
  - BNI set 25% dividend payout ratio in FY21 and could aim for 30%-50% steady dividend payout ratio as the bank's ROE improves.
  - BNI expects ~200bps CAR improvement in FY23 from the implementation of new OJK regulations on the calculation of Risk Weighted Assets for Operational Risk & Credit Risk i.e. SEOJK No. 6/SEOJK.03/2020 and SEOJK No. 24/SEOJK.03/2021.

- **Digital Bank**
  - BNI has already injected up to Rp3.5ttn capital into Bank Mayora for 64% stake, while the remaining stake is held by Mayora Group. Sea Group will be the main IT strategic partner to develop Bank Mayora's digital banking infrastructure. Sea Group does have any stake in the bank yet but we expect Sea Group to be a shareholder in the joint-venture digital bank once Sea's contribution to the digital infrastructure ramped up. Though, BNI will keep controlling stake in the joint-venture bank with at least 51% ownership in any event of key shareholder addition.
  - The joint-venture digital bank will initially launch digital SME loans in selective economic clusters while digital consumer loans will only follow in 2024.

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Bank Central Asia: Mandiri Investment Forum 2023 Key Takeaways (BBCA; Rp8,725; Buy; TP: Rp9,600)

- BCA highlighted its efforts to ramp up payroll loan services and SME banking services, including unsecured merchant financing services. BCA also continues to expand physical infrastructures that are critical to upholding its customer service quality, such as new branches in eastern Indonesia and call centers.

- **Lending**
  - BCA does not intend to raise interest rates for its consumer loan product since consumer loan demand is generallys price-sensitive. BCA still aims to grow its consumer loan product at double-digit rate in FY23, hence will maintain competitive pricing to fulfill the segment's growth target this year. Though, BCA's consumer loan growth will still primarily focus on secured consumer loan i.e. mortgage and auto financing.
  - BCA is in the process of launching direct digital lending services, especially unsecured merchant loan service. This unsecured merchant loan service will use merchant transaction data as one of the primary parameters for credit underwriting. This unsecured merchant loan service is also aimed to defend the bank's CASA franchise.
  - BCA will also revamp its payroll loan services, including to distribute them via in-house digital channels, either via MyBCA app or other app. The bank's payroll loan services may be behind the other big banks' services, but BCA will intensify its efforts to grow them.

- **SME Banking**
  - BCA targets to regain its SME loan customer market share from 2023 onwards. BCA has been losing some SME loan customers since 2018 due to more competition from other banks as other banks might have accepted lower NIM from the segment and sets higher risk acceptance criteria.
  - BCA aims to double its SME banking customer base over the next few years, hence the bank will expand the organization capacity to acquire and serve SME banking customers, including to increase the number of account officers and credit risk officers so to balance growth with prudent risk management. BCA will also set tie regional offices' KPIs to SME loan growth once internal infrastructure for SME banking is strengthened.

- **NIM**
  - FY22 NIM improvement was driven by several factors: i) more productive earnings assets mix driven by loan growth recovery and additional holding of longer-term government bonds; ii) higher policy rates for short-term instruments, in-line with the higher BI 7D-RRR; and iii) automatic / contract-based repricing of some wholesale loans.
  - Around 25% of BCA's corporate loan book today benchmarks its pricing with JIBOR but only 6% of BCA's total loan book is denominated in non-IDR.

- **Funding**
  - BCA expects its CASA growth in FY23 to normalize to be similar to the nominal GDP growth rate. The bank will also run promotional term deposit campaign and raise 1-month term deposit rate from 2.10% today to 3.66% in February 2023 in conjunction with the bank's 66th anniversary this month. BCA's 3-month term deposit rate will still be at 2%-3% range. To not, the majority of term deposits in BCA has 1 to 3 month tenor.
- **Network**
  - BCA does not intend to close down more bank branches and is actually expanding more branches in eastern Indonesia, such as Labuan Bajo, Morowali, and others. Bank branches, however, are being remodeled and call centers will continue to play important roles in maintaining quality customer service at BCA.
  - BCA's call centers are run by 4,000 agents servicing 3,000 lines of contact. Daily customer contact through call centers has exceeded 100,000 times today.
  - BCA also keeps expanding its EDC (Electronic Data Capture) machine network and will strengthen its payment network with Android-based mobile POS system too.
  - BCA has specific mobile application for sales channel and customer service points for electronic banking services for merchant users. This merchant application, however, is not used for loan application and/or loan management yet.

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Saratoga Investama sedaya: MIF 2023 Key Takeaways and Model Update (SRTG; Rp2,340; Buy; TP: Rp3,700)

- SRTG has transformed itself into the leading investor in EV and renewables space, with ADRO to start ground breaking its green aluminum smelter this year, and MDKA to list its Nickel Subsidiary. We reiterate Buy, but with a lower TP at Rp3,700/share to reflect ADRO's lower valuation amid softening coal price.
- **The leading investor in EV supply chain and renewables.** Although its main dividend income still comes from coal, SRTG has become the leading and largest investor in the EV supply chain and renewables space, both through direct investments and indirect investments, through its portfolio companies (ADRO and MDKA). ADRO will start the groundbreaking of its green aluminum smelter this year. ADRO also announced the plan to build a largescale hydropower plant with an initial capacity of 1.5 GW, with a capex requirement of ~USD 3.0bn. Meanwhile, SRTG invests in battery value chain through MDKA, with a plan to list its nickel subsidiary, Merdeka Battery Material (MBM), this year. On the direct investment side, SRTG has also invested in Xurya (a leading solar energy operator) and Forest Carbon (a premium carbon project developer).
- **Deploying capital in growing sectors.** The company targets an annual capital deployment of ~USD 100mn-150mn and reiterates its intention to invest in sectors including 1) healthcare; 2) clean and renewable energy; and 3) digital technology and infrastructure. The company also highlights its investment in Mulia Bosco Logistics (MBL), the second-largest cold-storage and cold-trucker player in Indonesia. SRTG expects MBL to be a beneficiary of Indonesia's increasing GDP and cold food consumption, in addition to the increasing trend of FMCG companies outsourcing their logistics.
- **Maintain our Buy call at a lower TP of Rp3,700/share (from Rp4,000/share).** We reduced our TP to Rp3,700/share, implying a 30% discount to Mansek's NAV estimate. Our TP reduction was mainly due to a lower valuation for ADRO amid softening coal price outlook this year, although we remain positive on its long-term coal diversification prospects. Despite the reduced TP, we see that SRTG is still undervalued at the current -56% discount to Mansek's NAV estimates.

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FROM THE PRESS

Risk on ANTM's JV with LG Energy Solutions.

Hendi Prio Santoso, CEO of MIND ID, said that the potential JV between ANTM and LG Energy Solution (LG) is still unclear as LG is no longer interested in investing in the projects. Initially LG and ANTM plan to develop upstream to downstream nickel until the production of EV battery in Indonesia. (source bisnis indonesia)

Comment. We have seen the risk to the deal with LG due to its slow progress compare to the deal with CBL (CATL). Nevertheless, we see limited impact on ANTM's future growth outlook as it has secured the USD6.0bn deal with CBL recently with ANTM and IBC together to hold 40% ownership in the smelter and 51% in the mining. ANTM's project with CBL will be in Halmahera and consist of 8 RKEF lines and 55.0k tons of HPAL. On top of that ANTM also plans to develop 80.0k tons of nickel product with CNGR. ANTM currently has 30.0k tons of Ferronickel capacity. (Bisnis Indonesia)

Indices Performance

Indices	Last	Chg (%)	YTD (%)
JCI	6,873.8	-0.5	+0.3
LQ45	948.5	-0.5	+1.2
Dow Jones	33,891.0	-0.1	+2.2
S&P 500	4,111.1	-0.6	+7.1
Nasdaq	11,887.5	-1.0	+13.6
FTSE 100	7,836.7	-0.8	+5.2
DAX	15,345.9	-0.8	+10.2
Nikkei	27,693.7	+0.7	+6.1
Hang Seng	21,222.2	-2.0	+7.3
STI	3,385.9	+0.1	+4.1
iShares Indo	23.2	-1.2	+3.4

JCI Indices Sectors	Last	Chg (%)	YTD (%)
Financials	1,426.2	-0.5	+0.8
Basic Materials	1,257.4	-0.7	+3.4
Consumer Non-Cycl	750.9	-0.7	+4.8
Energy	2,075.8	-0.9	-8.9
Infrastructures	864.2	+0.1	-0.5
Technology	5,734.6	-1.6	+11.1
Consumer Cycl	843.3	+0.3	-0.9
Properties	713.9	-1.0	+0.4
Healthcare	1,569.0	-0.5	+0.3
Industrials	1,155.9	-0.6	-1.6
Transport & Logistic	1,790.5	+0.4	+7.7

Macro Economic, Fund Flows and Commodities

Currencies	Last	Chg (%)	YTD (%)
Rp/US$	15,197	+0.7	+2.4
US$/EUR	1.07	-0.6	-0.2
YEN/US$	132.66	+1.1	-1.2
SGD/US$	1.328	+0.3	+0.9

Macro Indicators	Last	Chg	YTD (bps)
5Yr INDOGB	6.35	+10	+15
10Yr INDOGB	6.69	+14.0	-25.5
CDS 5YR INDO	83.7	+4.8	-15.9
US Dollar Index Spot	103.6	+0.7	+0.1

Indo Foreign Flow (US$mn)	Last Chg	YTD Chg
Equity Flow	+48.0	-77
Bonds Flow	+9.4	+3,304

Commodities	Last	Chg (%)	YTD (%)
Crude Oil, Brent (US$/bl)	80.99	+1.3	-5.7
Copper spot (US$/mt)	8,838	-1.3	+5.7
Nickel spot (US$/mt)	27,053	-4.8	-9.5
Gold (US$/oz)	1,867	+0.1	+2.4
Tin spot (US$/mt)	26,786	-5.4	+8.2
CPO futures (MYR/ton)	3,851	+2.7	-7.7
Coal (US$/ton)	252.0	+6.8	-37.6
Rubber forward (US¢/kg)	165.9	+0.6	+9.1
Soybean oil (US$/100 gallons)	59.31	+0.4	-7.1
Baltic Dry Index	621.0	-3.0	-59.0

Equity Valuation

Code	Rating	Price (Rp)	Price Target	% of PT	Mkt Cap (Rp Bn)	Net Profit 2022	Net Profit 2023	PER (x) 2022	PER (x) 2023	P/BV (x) 2022	P/BV (x) 2023	EV/EBITDA (x) 2022	EV/EBITDA (x) 2023	EPS Growth 2022	EPS Growth 2023	Div.Yield 2022	Div.Yield 2023
MANSEK universe		**6,874**	**7,300**	**6.2**	**5,136,843**	**344,094**	**352,848**	**14.8**	**14.6**	**2.1**	**2.0**	**10.8**	**11.4**	**31.3%**	**2.4%**	**3.6%**	**3.7%**
Banking					**2,177,226**	**118,826**	**138,882**	**18.3**	**15.7**	**2.8**	**2.6**	**N.A.**	**N.A.**	**43.5%**	**16.9%**	**2.8%**	**3.4%**
BBCA	Buy	8,725	9,600	10.0	1,075,575	39,469	46,032	27.3	23.4	4.9	4.5	N.A.	N.A.	25.6%	16.6%	1.8%	2.3%
BBNI	Buy	9,350	12,000	28.3	174,365	18,007	22,085	9.7	7.9	1.3	1.2	N.A.	N.A.	65.0%	22.6%	1.6%	2.6%
BBRI	Buy	4,740	5,600	18.1	718,314	48,169	55,296	14.9	13.0	2.4	2.2	N.A.	N.A.	55.1%	14.8%	5.0%	5.8%
BBTN	Buy	1,365	1,800	31.9	19,157	2,941	3,301	4.9	5.8	0.6	0.6	N.A.	N.A.	23.8%	-15.3%	0.0%	0.0%
BNLI	Neutral	1,035	1,100	6.3	37,448	2,525	2,409	14.8	15.5	1.0	0.9	N.A.	N.A.	105.1%	-4.6%	2.0%	1.9%
BTPS	Buy	2,580	3,600	39.5	19,876	1,785	2,307	11.1	8.6	2.4	2.0	N.A.	N.A.	21.8%	29.3%	3.1%	4.1%
BRIS	Buy	1,315	1,550	17.9	60,660	4,206	5,196	14.4	11.7	1.8	1.6	N.A.	N.A.	23.8%	23.5%	2.1%	2.6%
ARTO	Buy	3,630	3,600	(0.8)	50,298	55	205	908.8	244.9	6.1	5.9	N.A.	N.A.	-35.7%	271.1%	0.0%	0.0%
BFIN	Buy	1,240	1,600	29.0	18,556	1,544	1,904	12.0	9.7	2.2	1.9	N.A.	N.A.	36.5%	23.3%	3.0%	4.2%
AMOR	Buy	1,340	1,900	41.8	2,978	112	137	26.6	21.8	9.4	9.2	20.5	16.5	12.4%	22.1%	3.6%	4.4%
Construction & materials					**167,494**	**6,747**	**9,253**	**24.9**	**18.1**	**1.3**	**1.3**	**12.0**	**9.8**	**-6.3%**	**37.6%**	**2.7%**	**2.4%**
AVIA	Buy	650	890	36.9	40,270	1,377	1,630	29.2	24.7	4.1	3.9	24.3	19.7	-51.6%	18.3%	2.5%	2.4%
INTP	Buy	10,975	11,680	6.4	37,683	1,237	2,191	31.0	17.2	2.0	1.9	11.9	8.3	-27.1%	80.2%	4.6%	3.9%
SMGR	Buy	7,250	10,640	46.8	43,004	2,399	3,139	17.9	13.7	1.2	1.1	7.7	6.5	18.7%	30.9%	3.3%	2.2%
ADHI	Neutral	500	890	78.0	1,780	234	462	7.6	3.9	0.3	0.3	6.7	5.7	151.3%	97.6%	1.0%	2.6%
PTPP	Neutral	725	1,050	44.8	4,495	348	693	12.9	6.5	0.4	0.4	7.6	6.4	26.9%	99.4%	1.8%	2.3%
WIKA	Neutral	735	1,100	49.7	6,586	470	662	14.0	10.0	0.5	0.4	10.2	8.2	66.5%	40.8%	1.4%	2.0%
WSKT	Neutral	374	1,030	175.4	5,004	-1,909	-1,818	-2.6	-2.8	1.1	2.0	39.4	32.9	-51.4%	4.8%	0.0%	0.0%
WTON	Neutral	196	270	37.8	1,708	190	308	9.0	5.5	0.5	0.4	4.8	3.8	99.8%	62.0%	1.7%	3.3%
WSBP	Neutral	95	140	47.4	2,504	-484	-414	-5.2	-6.1	6.0	10.1	28.9	21.3	5.1%	14.5%	-10.2%	-9.7%
JSMR	Buy	3,370	5,100	51.3	24,459	2,885	2,398	8.5	10.2	1.1	1.0	9.5	7.7	78.6%	-16.9%	1.3%	2.4%
Consumer staples					**760,137**	**46,787**	**53,118**	**16.2**	**14.3**	**3.3**	**3.0**	**10.7**	**9.4**	**14.7%**	**13.5%**	**3.8%**	**4.2%**
CMRY	Buy	4,930	5,500	11.6	39,118	1,154	1,382	33.9	28.3	7.3	6.1	25.0	19.7	46.0%	19.8%	1.3%	0.9%
ICBP	Buy	10,275	12,000	16.8	119,826	6,641	7,611	18.0	15.7	3.1	2.8	12.7	10.9	4.0%	14.6%	2.0%	2.1%
INDF	Buy	6,675	10,850	62.5	58,606	8,483	9,059	6.9	6.5	1.1	1.0	5.7	5.5	11.0%	6.8%	4.9%	5.5%
MYOR	Buy	2,380	2,900	21.8	53,214	1,804	2,749	29.5	19.4	4.3	3.6	17.7	11.3	52.0%	52.4%	0.9%	0.9%
UNVR	Neutral	4,730	4,750	0.4	180,450	6,295	6,608	28.7	27.3	37.5	35.5	19.9	19.0	9.3%	5.0%	3.2%	3.5%
GGRM	Buy	23,300	37,800	62.2	44,831	6,591	7,615	6.8	5.9	0.7	0.7	4.9	4.5	23.7%	15.5%	11.2%	11.2%
HMSP	Buy	1,030	1,750	69.9	119,808	9,964	11,583	12.0	10.3	3.8	3.6	8.1	6.9	21.7%	16.2%	6.9%	8.4%
KLBF	Buy	2,170	2,050	(5.5)	101,719	3,474	3,823	29.3	26.6	4.8	4.4	19.6	17.3	9.1%	10.1%	1.6%	1.8%
SIDO	Buy	785	850	8.3	23,550	1,085	1,233	21.7	19.1	6.8	6.2	15.9	13.8	-14.0%	13.7%	4.6%	4.0%
MLBI	Buy	9,025	13,250	46.8	19,016	1,299	1,455	14.6	13.1	12.3	11.2	9.6	8.6	22.1%	12.0%	5.6%	6.8%
Healthcare					**82,917**	**1,946**	**2,360**	**42.6**	**35.1**	**5.3**	**4.8**	**17.6**	**14.8**	**-33.0%**	**21.3%**	**1.0%**	**0.8%**
MIKA	Buy	3,050	3,350	9.8	43,451	1,081	1,232	40.2	35.3	7.9	6.9	26.5	22.9	-12.0%	14.0%	1.2%	1.0%
SILO	Buy	1,300	1,400	7.7	16,908	483	575	35.0	29.4	2.5	2.4	8.0	6.8	-91.0%	19.0%	1.5%	1.1%
HEAL	Neutral	1,510	1,600	6.0	22,558	382	554	59.0	40.7	6.5	5.7	21.0	16.5	-62.0%	44.9%	0.4%	0.1%
Consumer discretionary					**331,755**	**37,466**	**37,550**	**8.9**	**8.8**	**1.4**	**1.3**	**5.5**	**5.7**	**39.0%**	**0.2%**	**3.7%**	**4.8%**
ACES	Neutral	498	1,150	130.9	8,541	759	916	11.3	9.3	1.5	1.3	5.7	4.4	7.7%	20.7%	4.1%	4.5%
LPPF	Buy	4,680	7,500	60.3	12,290	1,230	1,483	10.0	8.3	24.8	15.9	6.5	5.1	34.7%	20.6%	9.8%	9.8%
MAPA	Buy	4,080	4,200	2.9	11,630	886	989	13.1	11.8	2.8	2.3	7.1	6.1	244.1%	11.7%	0.0%	0.0%
MAPI	Buy	1,440	1,470	2.1	23,904	1,638	1,685	14.6	14.2	3.2	2.6	7.3	6.0	273.3%	2.8%	0.0%	0.0%
RALS	Neutral	685	650	(5.1)	4,861	270	368	18.0	13.2	1.3	1.3	7.4	5.1	58.4%	36.3%	3.9%	3.2%
ERAA	Buy	496	550	10.9	7,911	1,026	1,204	7.7	6.6	1.2	1.0	6.0	4.8	1.4%	17.3%	3.8%	3.9%
ASII	Buy	5,850	9,500	62.4	236,829	27,553	26,376	8.6	9.0	1.2	1.2	5.5	6.1	36.4%	-4.3%	3.8%	5.2%
SCMA	Neutral	234	430	83.8	14,801	1,387	1,550	10.7	9.5	3.3	2.8	8.0	7.0	22.7%	11.8%	3.3%	4.2%
MNCN	Buy	705	1,300	84.4	9,327	2,516	2,743	3.7	3.4	0.5	0.5	2.5	2.0	25.5%	9.0%	5.4%	8.8%
PZZA	Buy	550	750	36.4	1,662	202	235	8.2	7.1	1.1	1.0	3.9	3.5	55.5%	16.3%	3.9%	6.1%
Commodities					**523,358**	**100,399**	**70,749**	**5.2**	**7.4**	**1.6**	**1.5**	**2.5**	**3.5**	**123.6%**	**-29.5%**	**8.9%**	**6.4%**
UNTR	Neutral	23,925	30,500	27.5	89,243	20,499	15,128	4.4	5.9	1.1	1.0	1.6	1.6	99.4%	-26.2%	9.2%	6.8%
ADRO*	Neutral	2,780	3,400	22.3	88,921	2,142	1,271	2.8	4.7	1.1	1.0	1.0	1.7	129.4%	-40.6%	19.4%	12.7%
INDY*	Neutral	2,240	2,700	20.5	11,671	463	265	1.7	3.0	0.6	0.5	0.9	1.1	702.8%	-42.7%	14.7%	8.4%
ITMG*	Neutral	33,900	33,500	(1.2)	37,173	946	583	2.7	4.3	1.6	1.5	1.1	1.7	98.9%	-38.4%	24.4%	17.4%
PTBA	Neutral	3,260	3,500	7.4	37,563	13,778	10,266	2.7	3.6	1.3	1.1	1.8	2.3	74.2%	-25.5%	18.3%	13.7%

Code	Rating	Price (Rp)	Price Target	% of PT	Mkt Cap (Rp Bn)	Net Profit 2022	Net Profit 2023	PER (x) 2022	PER (x) 2023	P/BV (x) 2022	P/BV (x) 2023	EV/EBITDA (x) 2022	EV/EBITDA (x) 2023	EPS Growth 2022	EPS Growth 2023	Div.Yield 2022	Div.Yield 2023
HRUM*	Buy	1,640	2,500	52.4	21,046	281	300	5.1	4.8	2.0	1.7	3.9	4.0	277.6%	6.8%	10.8%	11.6%
ANTM	Buy	2,270	3,200	41.0	54,550	3,782	3,815	14.4	14.3	2.1	1.9	8.9	8.2	103.1%	0.9%	2.4%	2.4%
INCO*	Buy	7,250	9,000	24.1	72,038	302	320	16.2	15.2	2.0	1.7	7.5	6.8	82.1%	6.1%	0.0%	0.0%
MDKA*	Buy	4,610	5,250	13.9	111,151	89	74	85.0	102.2	7.0	6.5	35.9	25.3	122.5%	-16.8%	0.0%	0.0%
Property & Industrial Estate					**87,300**	**4,969**	**6,915**	**17.6**	**12.6**	**0.8**	**0.8**	**8.1**	**7.1**	**29.8%**	**39.2%**	**1.7%**	**1.9%**
BSDE	Buy	965	1,230	27.5	20,430	1,160	1,766	17.6	11.6	0.6	0.6	9.0	7.2	-14.0%	52.3%	0.0%	0.0%
CTRA	Buy	995	1,390	39.7	18,468	1,876	1,896	9.8	9.7	1.0	0.9	6.8	7.0	8.1%	1.0%	1.0%	1.6%
SMRA	Buy	630	1,150	82.5	10,400	476	686	21.8	15.2	1.2	1.1	7.6	5.9	47.2%	44.1%	0.0%	0.0%
PWON	Buy	462	600	29.9	22,250	1,527	1,771	14.6	12.6	1.3	1.2	8.3	7.5	9.4%	16.0%	1.3%	1.3%
LPKR	Sell	85	65	(23.8)	6,025	-1,161	-470	-5.2	-12.8	0.3	0.4	9.6	8.1	27.6%	59.5%	0.0%	0.0%
DMAS	Buy	171	190	11.1	8,242	955	1,005	8.6	8.2	1.6	1.6	7.7	7.2	33.6%	5.3%	12.3%	12.3%
BEST	Neutral	154	160	3.9	1,486	136	261	10.9	5.7	0.3	0.3	7.6	5.3	N/M	91.3%	1.0%	3.6%
Telecom					**624,444**	**37,095**	**38,237**	**16.6**	**16.4**	**2.5**	**2.4**	**6.2**	**5.8**	**-6.1%**	**1.7%**	**3.1%**	**3.3%**
EXCL	Buy	2,300	3,100	34.8	30,065	1,429	1,791	21.0	16.8	1.4	1.3	4.4	4.2	-10.0%	25.4%	0.9%	1.0%
TLKM	Buy	3,880	5,000	28.9	384,361	25,951	27,616	14.8	13.9	2.9	2.7	5.6	5.2	4.8%	6.4%	4.1%	4.3%
ISAT	Buy	6,000	8,000	33.3	48,376	2,472	1,146	16.4	42.2	1.8	1.7	5.4	4.9	-70.5%	-61.2%	1.5%	0.7%
LINK	Buy	2,120	5,400	154.7	5,833	656	721	9.5	8.7	1.0	0.9	4.0	3.7	-25.9%	9.9%	3.4%	3.7%
MTEL	Buy	665	950	42.9	55,538	1,525	1,605	36.4	34.6	1.6	1.6	10.6	10.3	10.5%	5.2%	1.9%	2.0%
TBIG	Buy	2,080	3,500	68.3	44,993	1,627	1,713	27.7	26.3	4.4	3.9	12.8	12.0	5.0%	5.3%	1.3%	1.3%
TOWR	Buy	1,110	1,500	35.1	55,277	3,436	3,644	16.1	15.2	3.9	3.3	10.3	9.6	0.3%	6.1%	2.1%	2.2%
Transportation					**4,516**	**346**	**505**	**13.1**	**8.9**	**0.9**	**0.8**	**5.9**	**5.0**	**4379.5%**	**46.2%**	**3.2%**	**4.6%**
BIRD	Buy	1,805	2,300	27.4	4,516	346	505	13.1	8.9	0.9	0.8	5.9	5.0	4379.5%	46.2%	3.2%	4.6%
Poultry					**112,257**	**6,734**	**8,193**	**16.7**	**13.7**	**2.5**	**2.3**	**9.7**	**8.2**	**18.1%**	**21.7%**	**2.2%**	**2.6%**
CPIN	Buy	5,800	7,850	35.3	95,108	4,651	5,427	20.4	17.5	3.4	3.1	13.4	11.5	28.5%	16.7%	1.9%	2.4%
JPFA	Buy	1,370	2,300	67.9	16,065	2,041	2,677	7.9	6.0	1.2	1.0	4.7	3.8	0.9%	31.1%	3.8%	3.8%
MAIN	Neutral	484	670	38.4	1,084	42	90	26.0	12.1	0.4	0.4	6.8	5.8	-30.9%	115.5%	0.8%	1.7%
Oil and Gas					**64,256**	**8,680**	**7,532**	**7.4**	**8.5**	**1.3**	**1.2**	**4.5**	**5.0**	**59.5%**	**-13.2%**	**8.5%**	**7.3%**
AKRA	Buy	1,315	2,000	52.1	25,954	1,981	1,874	13.1	13.8	2.5	2.3	9.9	9.6	78.2%	-5.4%	4.2%	4.0%
PGAS*	Buy	1,580	2,500	58.2	38,302	454	383	5.7	6.8	1.0	0.9	3.6	4.2	49.3%	-15.5%	11.4%	9.6%
Internet					**170,526**	**-27,048**	**-22,770**	**-5.7**	**-7.5**	**1.0**	**1.2**	**-3.7**	**-6.1**	**17.3%**	**-15.8%**	**0.0%**	**0.0%**
BUKA	Buy	298	675	126.5	30,712	-1,092	-702	-28.1	-43.8	1.4	1.4	-7.4	-11.5	34.7%	35.7%	0.0%	0.0%
GOTO	Buy	120	230	91.7	139,813	-25,957	-22,068	-4.8	-6.3	0.9	1.2	-3.5	-5.9	-16.6%	24.9%	0.0%	0.0%
Conglomerates					**30,657**	**1,147**	**2,323**	**26.7**	**13.2**	**0.5**	**0.5**	**24.2**	**13.0**	**-95.4%**	**102.6%**	**1.0%**	**1.7%**
SRTG	Buy	2,260	3,700	63.7	30,657	1,147	2,323	26.7	13.2	0.5	0.5	24.2	13.0	-95.4%	102.6%	1.0%	1.7%

Note:
- *) net profit in USD mn
- U/R means Under Review
- n/a means Not Available
- N/M means Not Meaningful
- N.A means Not Applicable

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INVESTMENT RATINGS: Indicators of expected total return (price appreciation plus dividend yield) within the 12-month period from the date of the last published report, are: Buy (15% or higher), Neutral (-15% to15%) and Sell (-15% or lower).

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