

Astra International (ASII): IDR 4,970— BUY (from HOLD), SSI TP: IDR 5,500 (Unchanged); Cons.TP: IDR 5,752



9M24 Auto Sales: 14 Oct 2024			MoM		YoY		YoY	
(Unit)	Sep-24	Aug-24	(%)	Sep-23	(%)	9M24	9M23	(%)
Astra (Total)	40,096	42,195	(5.0)	44,051	(9.0)	357,711	421,409	(15.1)
Toyota + Lexus	25,591	26,183	(2.3)	26,164	(2.2)	210,419	248,145	(15.2)
Daihatsu	12,676	13,829	(8.3)	15,009	(15.5)	125,849	147,551	(14.7)
Isuzu	1,670	2,002	(16.6)	2,690	(37.9)	20,076	24,130	(16.8)
UD Trucks	159	181	(12.2)	172	(7.6)	1,340	1,417	(5.4)
PEUGEOT	-	-	NA	16	NA	27	166	(83.7)
Non-Astra (Total)	32,571	34,109	(4.5)	35,868	(9.2)	275,416	334,369	(17.6)
Mitsubishi	8,165	8,530	(4.3)	8,416	(3.0)	74,287	82,435	(9.9)
Honda	7,926	7,556	4.9	10,911	(27.4)	69,320	108,007	(35.8)
Suzuki	5,183	5,265	(1.6)	6,502	(20.3)	48,991	60,540	(19.1)
Hyundai	1,596	1,823	(12.5)	3,103	(48.6)	17,164	26,505	(35.2)
Wuling	2,004	1,866	7.4	2,001	0.1	13,914	14,480	(3.9)
Chery	673	798	(15.7)	460	46.3	6,190	3,245	90.8
BYD	2,075	2,940	(29.4)	-	NA	8,536	-	NA
Others	4,949	5,331	(7.2)	4,475	10.6	37,014	39,157	(5.5)
Total	72,667	76,304	(4.8)	79,919	(9.1)	633,127	755,778	(16.2)

SWOT Analysis of the Results (In-Line)

<p>Strength</p> <p>ASII's market dominance (57% YTD market share; 9M23: 55%) has helped cushioned the 4W sales volume drop in 9M24 (ASII: -15.1% YoY; Industry: -16.2% YoY)</p>	<p>Weakness</p> <p>In Sep-24, ASII saw -4.5% MoM decline in 4W sales volumes (industry: -4.8% MoM), as some consumers shifted to other models or brands, particularly Honda and Wuling; ASII's LCGC market share fell to 70% in Sep-24 (Aug-24: 75%; Sep-23: 71%)</p>
<p>Opportunity</p> <p>Potential interest rate cuts and slight improvement in economic growth from 4.9% in 2024 to 5% in 2025 may help support 4W demand; YTD market underperformance provides trading opportunities particularly since the current share price translates to 10.6% potential upside to our TP; hence, we raise our rating to Buy from Hold</p>	<p>Threat</p> <p>Mandatory TPL insurance regulation in 2025F and higher VAT for hybrid cars may dampen overall 4W demand; stock under-performance may persist on potential downward revisions in total 4W sales, partly due to middle class' weaker purchasing power</p>

Peer Comparables

Company Ticker	Market		2024F			
	Cap. (IDR Tn)	EPS Gwt (%)	P/E (x)	P/B (x)	Div. Yield (%)	ROE (%)
Toyota Motor	4,223	(10.2)	7.8	0.9	3.4	12.7
Honda Motor	859	0.9	6.8	0.6	4.5	8.5
General Motors	838	36.7	4.8	0.8	1.0	16.6
BMW	822	(25.1)	5.7	0.5	6.4	9.4
Hyundai Motor	597	13.8	4.5	0.6	5.2	13.8
ASII IJ	201	(11.6)	6.1	0.9	9.0	14.5
Mitsubishi Motors	62	(14.8)	4.5	0.5	4.0	12.6
DRMA IJ	5	(0.6)	13.3	3.2	2.0	24.0
Sector	7,608	(3.0)	6.8	0.8	3.9	12.4

Relative YTD Performance vs JCI

