

1 November 2024

Overview

Indonesia is targeting 8% economic growth rate over the next five years, with plans to attract foreign investment and foster growth in sectors such as digital economy, agriculture, and infrastructure. The administration faces challenges managing USD 186 billion debt, largely from state-owned enterprises, amidst global rate hikes, though strong investor interest in Indonesian bonds reflects confidence in the government's fiscal discipline. Potential BRICS membership could offer financing from the New Development Bank, though dual OECD membership is also considered for broader economic leverage. Efforts to boost food security, including USD 8.8 billion allocation for 2025 and expansion of rice fields, accompany energy subsidy reforms aimed at curbing inflation and supporting low-income groups. The government assists key industries like textiles to maintain employment, while the automotive and Islamic finance sectors experience growth. Renewable energy goals, including carbon trading at COP29 and a ban on plastic waste imports by 2025, underline Indonesia's commitment to sustainability, although further policy shifts are needed to meet climate goals.

Key Comments

Economy, Business and Finance

Economic Growth Prospects: Indonesia aims to achieve an ambitious 8% economic growth rate over the next five years, as Chief Economic Minister Airlangga Hartarto outlined. Achieving this will require new growth drivers, a streamlined regulatory framework, and continued foreign investment attraction. The government's strategy will likely include incentivizing sectors such as digital economy, agriculture, and infrastructure development.

Debt and Fiscal Challenges: President Prabowo's administration faces a substantial USD 186 billion debt, primarily from state-owned enterprises, amidst rising global interest rates. Managing this debt while sustaining investments in critical sectors like infrastructure and social programs is a key priority. Indonesia's sovereign bonds have attracted significant interest from global investors for the sixth consecutive month, supported by confidence in the administration's fiscal discipline.

BRICS Membership Debate: As Indonesia considers BRICS membership, analysts suggest it could open new financing avenues via the New Development Bank (NDB). Simultaneously, there are calls for dual membership with the OECD, which could enhance Indonesia's global economic position and access to diversified resources.

Sector Developments

Investment Climate: Efforts to attract investment from companies diversifying away from China face regulatory hurdles, as Indonesia's rigid bureaucracy and restrictive regulations remain a challenge compared to regional competitors. However, interest in the Indonesian bond market remains strong due to favorable fiscal policies and emerging market alternatives amid global uncertainties.

Food Security and Self-Sufficiency: To reduce dependency on food imports, the government has allocated USD 8.8 billion for food security in 2025, marking a nearly 22% budget increase. This allocation supports President Prabowo's goal for food self-sufficiency, with plans to develop an additional 3 million hectares of rice fields. The Ministry of Public Works will adjust its focus by decelerating the Nusantara Capital City (IKN) project to prioritize agricultural resilience.

Subsidy Reforms and Inflation: President Prabowo has initiated a review of energy subsidies, aiming to prevent ineligible usage and to more accurately support low-income groups. This reform aligns with efforts to curb inflationary pressures, particularly in food and energy costs, and target fiscal support effectively.

Corporate Debt Management: Indonesia is assisting key industries like textiles to maintain employment despite financial constraints. For example, textile manufacturer PT Sritex was allowed to continue exports despite recent bankruptcy, safeguarding over 50,000 jobs as the government supports domestic employment through strategic interventions.

Industry and Market Developments

Automotive and Training Investments: Chinese automaker Jetour and Japanese company Mitsubishi are expanding their operations in Indonesia. Jetour has opened an assembly plant in Bekasi, and Mitsubishi inaugurated its largest ASEAN training center in Cibitung, highlighting growth in Indonesia's automotive sector.

Islamic Economy Expansion: Bank Indonesia has outlined strategies to boost the Islamic economy, which currently contributes nearly 48% of GDP. The central bank's initiatives focus on digitalization, sharia-compliant financing, halal certification, and supporting halal tourism, reflecting the sector's importance to economic growth.

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Textile Industry Challenges: Indonesia's textile sector faces competition from inexpensive imports, affecting domestic producers and limiting middle-class growth. The government is exploring policies to support local manufacturers and reduce the market's reliance on imports, promoting long-term industrial resilience.

Oil & Gas Production Increases: The Upstream Oil and Gas Regulatory Task Force (SKK Migas) is reactivating idle wells to increase domestic production. Pertamina Hulu Rokan, a Pertamina subsidiary, is advancing unconventional oil and gas developments in the Rokan Block, a move expected to bolster national energy self-sufficiency.

LPG Pricing Adjustments: SKK Migas has urged Pertamina to review LPG prices, promoting fairer rates to attract investors and stimulate local LPG production. This move aligns with Indonesia's objective to strengthen energy security and reduce reliance on imports.

Renewable Energy Goals at COP29: Indonesia's delegation to COP29, led by Hashim Djojohadikusumo, aims to showcase carbon reduction achievements and promote carbon trading. The nation's climate policies, including the plan to phase out plastic waste imports by 2025, underscore its commitment to environmental sustainability.

Islamic Finance Expansion: To further develop Indonesia's Islamic finance sector, Bank Indonesia has outlined initiatives for digitalization, greater sharia financing, and improved payment systems. This aligns with the government's aim to leverage the sector's strong contribution to GDP.

Tax Potential from the "Shadow Economy": Deputy Finance Minister Anggito Abimanyu has identified the potential for increased tax revenue from unrecorded economic activities within the "shadow economy." Addressing these unregistered transactions could significantly expand Indonesia's tax base, enhancing fiscal stability.

Politics, Security, National

Thomas Lembong's Arrest: The former Trade Minister's corruption charges have ignited speculation about potential political motivations, given his role as a government critic. Anies Baswedan and other prominent figures have shown public support, highlighting the case's political sensitivity.

Labor Protests and Social Welfare: Thousands of workers are calling for the repeal of the Omnibus Law on Job Creation. Meanwhile, Prabowo's cabinet is reviewing social welfare data to ensure subsidies more accurately support low-income groups, reflecting the administration's focus on improving welfare targeting.

Foreign Relations and Regional Security: President Prabowo's scheduled visits to China and the United States signal a balanced foreign policy approach. Tensions in the South China Sea remain a focus, especially after recent Chinese coast guard activities within Indonesian waters, with the administration prepared to protect national interests.

Digital Economy, Telcos

Investment Influx in Tech Sector: Indonesia's technology sector has attracted investments from 19 Australian companies, showcasing the nation's appeal as a growing tech hub.

GoTo Group's Profitability Milestone: Indonesia's GoTo Group reported a quarterly profit after strategic cost reductions and an asset sale to TikTok, reflecting resilience within the tech sector amidst challenging market conditions.

Bukalapak Restructuring: Facing consecutive losses post-IPO, Bukalapak plans to downscale non-core business lines as part of a broader restructuring strategy, aiming to streamline operations and achieve profitability.

Environment and Green Economy

COP29 Leadership: Prabowo's brother, Hashim Djojohadikusumo, will lead Indonesia's COP29 delegation, with a focus on carbon reduction achievements and advancing carbon trading initiatives. Indonesia's ban on plastic waste imports by 2025 further highlights its commitment to sustainability.

Urgency for Climate Action: Despite ambitious climate commitments, analysts argue that Indonesia's path to net-zero emissions requires more aggressive policy shifts to phase out coal and meet Just Energy Transition Partnership (JETP) goals.

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Market Movement

The market saw mixed movements across Asia with The Nikkei slipped by 0.5% to 39,081, reflecting ongoing concerns in the Japanese market. Similarly, the Hang Seng index dropped by 0.3% to 20,317, while the Kospi saw a sharper decline of 1.5%, closing at 2,556, indicating bearish sentiment in the South Korean market. Contrarily, the Shanghai Composite showed resilience, inching up by 0.4% to 3,280, with domestic investors perhaps finding optimism in recent government policy signals. Meanwhile, the Jakarta Composite Index (JCI) modestly rose by 0.1% to 7,574, showcasing slight bullish momentum within Indonesia's market.

The Indonesian rupiah (USD/IDR) held steady at 15,697, while commodities presented mixed results. Gold edged down by 0.5% to USD 2,775 per ounce, and Brent oil saw a slight uptick of 0.1%, reaching USD 73 per barrel. The stability in the rupiah, alongside modest gains in oil, indicates a steady footing in Indonesia's economic fundamentals, though global inflation and commodity market trends remain key factors to monitor.

The JCI's upward movement, closing 0.06% higher, was underpinned by gains in the Indonesia Sharia Stock Index (ISSI), which closed 0.11% stronger at 230.8. Despite these gains, foreign investors exhibited caution, posting a net sell of IDR 85 billion in the regular market and a more significant net sell of IDR 255.6 billion in the negotiated market. This highlights a mixed sentiment from foreign participants, possibly due to global uncertainties and regional risk assessments.

The IDX Health sector emerged as the day's top sector gainer, reflecting robust investor confidence, likely due to optimistic projections in the healthcare industry. Conversely, the infrastructure sector (IDXINFRA) was the day's top loser, potentially weighed down by limited growth prospects and concerns over regulatory hurdles.

Among the most notable net buy stocks, United Tractors (UNTR) rose by 3.9% to 27,450, followed by Indofood (INDF), which climbed by 1.7% to 7,600. Petrosea (PTRO) surged by an impressive 9.2% to 18,200, possibly reflecting investor enthusiasm around its latest operational and strategic developments. Bank Rakyat Indonesia (BBRI) and Perusahaan Gas Negara (PGAS) also saw positive inflows, with gains of 1.9% and 4.0%, respectively. On the flip side, foreign net sell stocks included Bank Mandiri (BMRI), which dipped by 0.7%, and Bank Central Asia (BBCA), which fell by 1.0%. Astra International (ASII) and Bumi Resources Minerals (BRMS) also faced downward pressure.

Key movers included BBRI, PANI, and BREN, with PANI impressively advancing by 8.1% and SILO skyrocketing by 19.4%. Lagging movers, however, included Telkom Indonesia (TLKM), which slipped by 2.8%, GOTO falling by 4.2%, and AMRT declining by 3.8%. Noteworthy in terms of trading value, BBRI, BBCA, BMRI, and PTRO remained highly.

Fixed Income

The Indonesian Rupiah-denominated bond market demonstrated robust performance in the trading session, reflecting growing investor confidence and favorable currency movements. Bond prices, particularly for longer-tenor government securities (SUN), moved higher, signaling a positive outlook among investors. This upward trend in bond prices was partly supported by a modest appreciation in the Rupiah, which strengthened by 7 points, reaching a level of IDR 15,698 against the U.S. dollar. The combination of these factors contributed to a 0.14% increase in the Indonesia Composite Bond Index (ICBI), which now records a year-to-date return of 4.75%. The benchmark 10-year government bond (SBN FR0100) saw its yield slightly increase to 6.72%, suggesting steady demand for longer-term Indonesian debt.

In comparison to global bond movements, the U.S. 10-Year Treasury yield also rose, up by 0.060 basis points, ending at 4.29%. The increased yield on U.S. Treasuries highlights ongoing global interest rate pressures, but the limited impact on Indonesian bonds indicates that domestic demand remains resilient, likely due to investors' confidence in Indonesia's economic stability and policy measures aimed at supporting growth.

Trading Activity

The bond market activity reflected heightened interest from investors, as evidenced by a substantial 48.36% surge in transaction volume, which rose to IDR 30.31 trillion from the previous session's IDR 20.43 trillion. This significant increase suggests that both institutional and retail investors are actively participating, possibly taking positions in response to favorable market conditions and the anticipation of continued stability in yields.

Moreover, the frequency of bond transactions rose by 9.26%, with total trades reaching 3,305 compared to 3,025 in the previous session. This increase in trading frequency indicates active engagement across a broader spectrum of bonds, including various tenors and types. The heightened activity might be attributed to expectations of stable interest rates domestically, combined with inflationary pressures easing globally, making Indonesian bonds an attractive choice for both domestic and foreign investors.

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The overall positive sentiment in the Rupiah-denominated bond market, alongside a steady currency and resilient demand for government bonds, suggests a favorable outlook for Indonesian debt. As investors navigate a complex global landscape, Indonesian bonds appear well-positioned, with the ICBI's year-to-date return further reinforcing the appeal of Indonesia's fixed-income market in the current environment.

US 10 Year Treasury

Yields on the 10-year US Treasury note steadied around 4.28% on Thursday, as investors awaited the upcoming PCE inflation data and October jobs report. On Wednesday, ADP data showed a substantial increase in private sector employment for October, underscoring a resilient labor market. Additionally, separate data indicated the US economy grew at an annualized rate of 2.8% in the third quarter, slightly below the projected 3%.

Nonetheless, strong personal spending and sales pointed to robust consumer activity. The benchmark yield remains near three-month highs, with the Federal Reserve expected to implement a smaller 25 basis point rate cut next week, following a 50 basis point cut in September. Speculation about a possible Trump presidency is also boosting Treasury yields, as expectations of expansionary fiscal policies heighten concerns over rising credit risk for US debt.

Outlook

The 10-year SUN benchmark yield increased last week and held in the demand area of 6.75-6.76. If this continues, the next level is 6.93, with a lower bound at 6.65.

The U.S. 3-day equity-bond yield correlation still indicates investors' preference for moving away from a depressed bond market for several reasons. The latest weekly jobless claims also fell sharply, adding further evidence of a resilient labor market. This magnified the impact of growing inflation expectations on long-dated bond yields, which have recently risen due to the outlook of expansionary fiscal policy. Rising speculation that Donald Trump may win the upcoming presidential election has also led to concerns that steep tariffs and a series of tax cuts could push inflation higher, limiting the Fed's ability to cut rates.

Meanwhile, the Indonesian 3-day equity-bond yield correlation mimics the one in the U.S., indicating that global sentiments have weakened the interest parity condition between the two bond markets, raising the possibility of a capital reversal.

Looking ahead, bond market participants will continue to monitor external factors, including U.S. monetary policy and geopolitical developments, as these will likely exert further influence on Indonesian bond yields and trading volumes. Meanwhile, any signals of domestic fiscal or monetary policy adjustments could also be pivotal in shaping the performance of the bond market.

Strategy

Based on the RRG chart, all tenors experienced a weakening momentum compared to the 10-year benchmark yield, except for the 4-5 and 11-16 year tenors, which saw a slight increase in momentum. The yield for short-term benchmarks (below 5 years) still lags behind the 10-year benchmark, except for the 1, 2, 7, 8, and 9-year tenors, though with weakening momentum, the gap to the 10-year benchmark is narrowing. Other tenors are still leading compared to the 10-year benchmark. Therefore we recommend the followings:

INDOGB: FR71, FR78, FR52, FR68, FR96

INDOIS: PBS24, PBS25, PBS29

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Macro Forecasts

Macro	2023A	2024F	2025F
GDP (% YoY)	5.1	4.9	5.0
Inflation (% YoY)	2.6	2.5	3.0
Current Account Balance (% GDP)	-0.1	-0.7	-1.2
Fiscal Balance (% to GDP)	-1.7	-2.7	-2.9
BI 7DRRR (%)	6.0	6.0	5.5
10Y. Government Bond Yield (%)	6.6	6.8	7.0
Exchange Rate (USD/IDR)	15,399	15,900	15,900

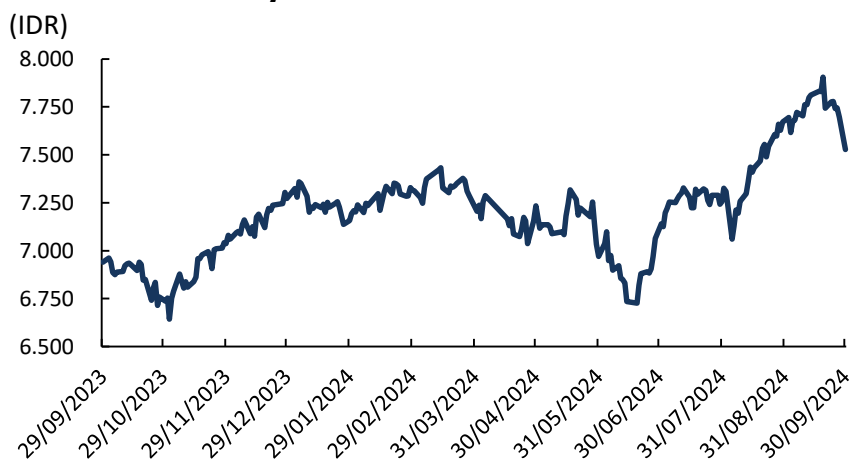
Source: SSI Research

Currencies

Currency Pair	Index, Last	Currency Pair	Index, Last
AUD / USD	0.6	AUD / IDR	10,316
CNY / USD	7.1	CNY / IDR	2,205
EUR / USD	1.0	EUR / IDR	17,043
GBP / USD	1.2	GBP / IDR	20,377
HKD / USD	7.7	HKD / IDR	2,019
JPY / USD	152	JPY / IDR	103
MYR / USD	4.3	MYR / IDR	3,589
NZD / USD	0.5	NZD / IDR	9,380
SAR / USD	3.7	SAR / IDR	4,180
SGD / USD	1.3	SGD / IDR	11,884
		USD / IDR	15,698

Source: STAR, SSI Research

JCI Chart Intraday



Source: Bloomberg, SSI Research

DAILY ECONOMIC INSIGHTS



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Net Foreign Flow: IDR 340.6 Bn **Outflow**

Stock	% TVAL	Last	% CHG	% MTD	% YTD	NVAL (IDR bn)
BMRI	4.2	6,700	-0.7	-3.2	10.7	-209
BBCA	5.9	10,250	-0.9	-0.7	9.0	-139
ASII	1.5	5,100	-1.9	0.9	-9.7	-109
BBNI	0.9	5,250	0.4	-1.8	-2.3	-63
BRMS	0.5	368	-4.6	60.0	116.4	-59
TLKM	1.3	2,820	-2.7	-5.6	-28.6	-34
CPIN	0.1	5,250	2.4	11.7	4.4	-15
ANTM	0.6	1,600	-1.8	8.1	-6.1	-15
TAPG	0.0	925	1.0	14.1	69.7	-13
INCO	0.2	3,820	-1.2	-6.3	-11.3	-13

Source: STAR, SSI Research

Index Stock Mover Summary

Stock	% CHG	JCI (+)	M.CAP (IDR tn)	Stock	% CHG	JCI (+)	M.CAP (IDR tn)
PANI	8.0	48.95	272	BBCA	-0.9	-29.49	1,251
BREN	1.8	40.40	910	TLKM	-2.7	-19.14	279
BBRI	1.9	32.63	720	AMMN	-1.0	-17.52	665
SILO	19.4	19.17	49	TPIA	-0.8	-15.67	757
GEMS	10.2	15.28	68	MSIN	-7.4	-15.39	79
ISAT	7.7	14.02	81	AMRT	-3.7	-13.04	138
DCII	5.1	12.38	104	BMRI	-0.7	-11.16	619
CUAN	5.9	11.54	85	ASII	-1.9	-9.77	206
DSSA	1.1	9.30	344	GOTO	-4.2	-8.69	82
UNTR	3.8	9.23	102	BRMS	-4.6	-6.16	52

Source: Bloomberg, STAR, SSI Research

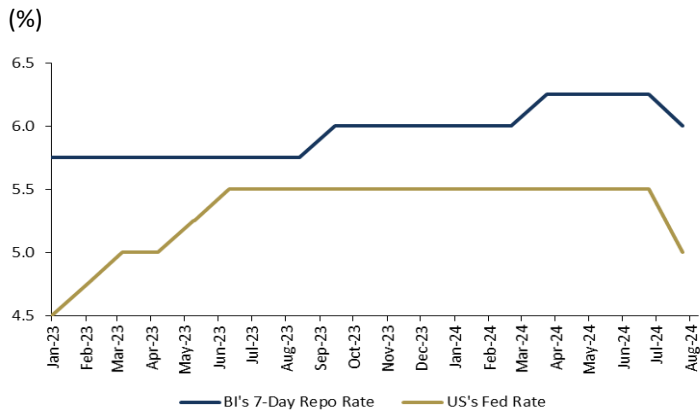
Daily Sector Summary

IDXENERGY	1.8T	13.6	247.1B	547.3B	1.2T	300.1B	1.5T
IDXPROPERT	688.9B	5.2	55.9B	136.3B	552.5B	80.4B	608.5B
IDXINDUST	816.0B	6.1	9.6B	361.7B	454.3B	352.0B	463.9B
IDXTRANS	91.6B	0.6	2.3B	10.2B	81.4B	7.9B	83.7B
COMPOSITE	13.2T	100.0		4.8T	8.3T	5.2T	8.0T
IDXTECHNO	591.2B	4.4	-2.8B	129.3B	461.8B	132.1B	459.0B
IDXHEALTH	224.3B	1.6	-24.9B	61.0B	163.3B	85.9B	138.3B
IDXINFRA	937.4B	7.1	-35.6B	342.4B	594.9B	378.0B	559.3B
IDXNONCYC	1.1T	8.3	-44.8B	414.7B	726.5B	459.6B	681.7B
IDXBASIC	1.7T	12.8	-73.6B	432.4B	1.2T	506.0B	1.2T
IDXCYCLIC	875.6B	6.6	-100.2B	264.9B	610.7B	365.1B	510.5B
IDXFINANCE	4.3T	32.5	-373.7B	2.1T	2.1T	2.5T	1.7T

Source: Bloomberg, STAR, SSI Research

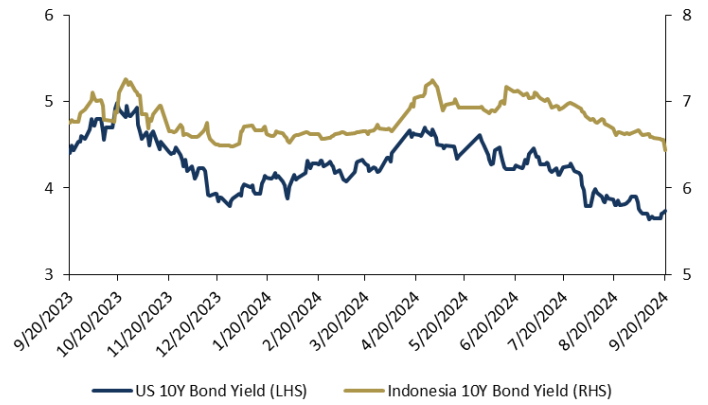
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Monetary Policy



Source: Bloomberg, SSI Research

Indonesia 10Y Bond Yield vs. U.S. 10Y Treasury Yield



Source: Bloomberg, SSI Research

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INDOGB Bonds Valuation

No.	Series	Issue Date	Maturity Date	Tenure (Year)	Coupon Rate	Actual Price	Yield to Maturity	Yield Curve	Valuation Price	Spread to YC (bps)	Recommendation	Duration
1	FR81	8/1/2019	6/15/2025	0.62	6.5%	100.16	6.2%	6.3%	100.12	(9.09)	Expensive	0.61
2	FR40	9/21/2006	9/15/2025	0.88	11.0%	103.85	6.3%	6.3%	103.93	(0.16)	Expensive	0.84
3	FR84	5/4/2020	2/15/2026	1.30	7.3%	101.17	6.3%	6.3%	101.11	(6.87)	Expensive	1.23
4	FR86	8/13/2020	4/15/2026	1.46	5.5%	98.73	6.4%	6.4%	98.83	8.13	Cheap	1.41
5	FR37	5/18/2006	9/15/2026	1.88	12.0%	109.67	6.4%	6.4%	109.80	2.03	Cheap	1.70
6	FR56	9/23/2010	9/15/2026	1.88	8.4%	103.40	6.4%	6.4%	103.48	2.22	Cheap	1.74
7	FR90	7/8/2021	4/15/2027	2.46	5.1%	97.00	6.5%	6.4%	97.12	5.91	Cheap	2.32
8	FR59	9/15/2011	5/15/2027	2.54	7.0%	101.22	6.5%	6.4%	101.35	5.57	Cheap	2.32
9	FR42	1/25/2007	7/15/2027	2.71	10.3%	109.07	6.5%	6.4%	109.37	9.52	Cheap	2.41
10	FR94	3/4/2022	1/15/2028	3.21	5.6%	97.01	6.6%	6.4%	97.57	19.97	Cheap	2.95
11	FR47	8/30/2007	2/15/2028	3.30	10.0%	110.43	6.4%	6.5%	110.38	(3.77)	Expensive	2.82
12	FR64	8/13/2012	5/15/2028	3.54	6.1%	98.77	6.5%	6.5%	98.93	5.38	Cheap	3.17
13	FR95	8/19/2022	8/15/2028	3.79	6.4%	99.28	6.6%	6.5%	99.65	11.07	Cheap	3.35
14	FR99	1/27/2023	1/15/2029	4.21	6.4%	99.70	6.5%	6.5%	99.64	(1.97)	Expensive	3.71
15	FR71	9/12/2013	3/15/2029	4.38	9.0%	108.65	6.7%	6.5%	109.36	17.01	Cheap	3.66
16	101	11/2/2023	4/15/2029	4.46	6.9%	100.84	6.7%	6.5%	101.39	14.11	Cheap	3.87
17	FR78	9/27/2018	5/15/2029	4.54	8.3%	106.26	6.6%	6.5%	106.73	11.01	Cheap	3.80
18	104	8/22/2024	7/15/2030	5.71	6.5%	99.16	6.7%	6.6%	99.68	10.89	Cheap	4.80
19	FR52	8/20/2009	8/15/2030	5.79	10.5%	117.98	6.7%	6.6%	118.68	12.10	Cheap	4.46
20	FR82	8/1/2019	9/15/2030	5.88	7.0%	101.30	6.7%	6.6%	102.04	15.04	Cheap	4.84
21	FR87	8/13/2020	2/15/2031	6.30	6.5%	98.87	6.7%	6.6%	99.53	12.81	Cheap	5.14
22	FR85	5/4/2020	4/15/2031	6.46	7.8%	105.60	6.7%	6.6%	105.97	6.59	Cheap	5.17
23	FR73	8/6/2015	5/15/2031	6.54	8.8%	110.31	6.8%	6.6%	111.26	16.63	Cheap	5.05
24	FR54	7/22/2010	7/15/2031	6.71	9.5%	115.00	6.7%	6.6%	115.46	7.23	Cheap	5.15
25	FR91	7/8/2021	4/15/2032	7.46	6.4%	97.77	6.8%	6.6%	98.46	12.04	Cheap	5.96
26	FR58	7/21/2011	6/15/2032	7.63	8.3%	109.31	6.7%	6.6%	109.48	2.29	Cheap	5.78
27	FR74	11/10/2016	8/15/2032	7.80	7.5%	104.15	6.8%	6.7%	105.10	15.04	Cheap	5.93
28	FR96	8/19/2022	2/15/2033	8.30	7.0%	101.25	6.8%	6.7%	102.08	12.74	Cheap	6.28
29	FR65	8/30/2012	5/15/2033	8.55	6.6%	99.12	6.8%	6.7%	99.66	8.37	Cheap	6.49
30	100	8/24/2023	2/15/2034	9.30	6.6%	98.81	6.8%	6.7%	99.46	9.47	Cheap	6.90
31	FR68	8/1/2013	3/15/2034	9.38	8.4%	110.33	6.9%	6.7%	111.48	15.23	Cheap	6.68
32	FR80	7/4/2019	6/15/2035	10.63	7.5%	104.53	6.9%	6.7%	105.66	14.44	Cheap	7.43
33	103	8/8/2024	7/15/2035	10.71	6.8%	99.45	6.8%	6.7%	100.02	7.39	Cheap	7.68
34	FR72	7/9/2015	5/15/2036	11.55	8.3%	110.34	6.9%	6.8%	111.72	16.17	Cheap	7.65
35	FR88	1/7/2021	6/15/2036	11.63	6.3%	96.00	6.8%	6.8%	95.83	(2.19)	Expensive	8.20
36	FR45	5/24/2007	5/15/2037	12.55	9.8%	124.02	6.9%	6.8%	124.67	6.47	Cheap	7.80
37	FR93	1/6/2022	7/15/2037	12.72	6.4%	96.18	6.8%	6.8%	96.41	2.75	Cheap	8.69
38	FR75	8/10/2017	5/15/2038	13.55	7.5%	104.37	7.0%	6.8%	105.95	17.49	Cheap	8.60
39	FR98	9/15/2022	6/15/2038	13.63	7.1%	101.29	7.0%	6.8%	102.66	15.36	Cheap	8.79
40	FR50	1/24/2008	7/15/2038	13.72	10.5%	132.12	6.8%	6.8%	132.41	2.26	Cheap	8.22
41	FR79	1/7/2019	4/15/2039	14.47	8.4%	112.76	7.0%	6.8%	113.96	11.95	Cheap	8.85
42	FR83	11/7/2019	4/15/2040	15.47	7.5%	104.89	7.0%	6.9%	106.05	11.77	Cheap	9.41
43	FR57	4/21/2011	5/15/2041	16.55	9.5%	123.91	7.0%	6.9%	125.67	15.19	Cheap	9.16
44	FR62	2/9/2012	4/15/2042	17.47	6.4%	93.48	7.0%	6.9%	94.79	13.59	Cheap	10.37
45	FR92	7/8/2021	6/15/2042	17.64	7.1%	101.25	7.0%	6.9%	102.33	10.46	Cheap	10.13
46	FR97	8/19/2022	6/15/2043	18.64	7.1%	100.88	7.0%	6.9%	102.25	13.00	Cheap	10.40
47	FR67	7/18/2013	2/15/2044	19.31	8.8%	117.68	7.1%	6.9%	119.37	13.97	Cheap	10.07
48	FR76	9/22/2017	5/15/2048	23.56	7.4%	104.36	7.0%	7.0%	104.86	4.17	Cheap	11.42
49	FR89	1/7/2021	8/15/2051	26.81	6.9%	99.08	7.0%	7.0%	98.93	(1.34)	Expensive	12.18
50	102	1/5/2024	7/15/2054	29.73	6.9%	99.25	6.9%	7.0%	98.89	(3.03)	Expensive	12.75
51	105	8/27/2024	7/15/2064	39.73	6.9%	100.13	6.9%	6.9%	99.50	(4.77)	Expensive	13.78

Source: Bloomberg, SSI Research

1 November 2024

INDOIS Bonds Valuation

No.	Series	Issue Date	Maturity Date	Tenure (Year)	Coupon Rate	Actual Price	Yield to Maturity	Yield Curve	Valuation Price	Spread to YC (bps)	Recommendation	Duration
1	PBS036	8/25/2022	8/15/2025	0.79	5.4%	99.44	6.1%	6.3%	99.33	(14.57)	Expensive	0.77
2	PBS017	1/11/2018	10/15/2025	0.96	6.1%	99.69	6.5%	6.3%	99.87	19.77	Cheap	0.93
3	PBS032	7/29/2021	7/15/2026	1.70	4.9%	97.20	6.6%	6.3%	97.73	34.02	Cheap	1.64
4	PBS021	12/5/2018	11/15/2026	2.04	8.5%	104.28	6.2%	6.3%	104.12	(9.82)	Expensive	1.87
5	PBS003	2/2/2012	1/15/2027	2.21	6.0%	98.90	6.5%	6.3%	99.34	21.21	Cheap	2.08
6	PBS020	10/22/2018	10/15/2027	2.96	9.0%	107.13	6.3%	6.4%	107.01	(5.36)	Expensive	2.63
7	PBS018	6/4/2018	5/15/2028	3.54	7.6%	103.91	6.4%	6.4%	103.87	(1.86)	Expensive	3.10
8	PBS030	6/4/2021	7/15/2028	3.71	5.9%	98.15	6.4%	6.4%	98.31	4.63	Cheap	3.34
9	PBSG1	9/22/2022	9/15/2029	4.88	6.6%	100.48	6.5%	6.4%	100.75	6.27	Cheap	4.17
10	PBS023	5/15/2019	5/15/2030	5.54	8.1%	107.47	6.5%	6.5%	107.60	2.43	Cheap	4.49
11	PBS012	1/28/2016	11/15/2031	7.04	8.9%	113.04	6.5%	6.5%	113.09	0.33	Cheap	5.34
12	PBS024	5/28/2019	5/15/2032	7.54	8.4%	110.48	6.6%	6.5%	110.76	4.20	Cheap	5.68
13	PBS025	5/29/2019	5/15/2033	8.54	8.4%	111.35	6.6%	6.6%	111.59	3.28	Cheap	6.23
14	PBS029	1/14/2021	3/15/2034	9.38	6.4%	98.30	6.6%	6.6%	98.40	1.21	Cheap	7.05
15	PBS022	1/24/2019	4/15/2034	9.46	8.6%	113.63	6.7%	6.6%	114.01	4.73	Cheap	6.74
16	PBS037	6/23/2021	6/23/2036	11.65	6.5%	98.22	6.7%	6.7%	98.67	5.66	Cheap	8.16
17	PBS004	2/16/2012	2/15/2037	12.30	6.1%	94.16	6.8%	6.7%	95.08	11.38	Cheap	8.49
18	PBS034	1/13/2022	6/15/2039	14.63	6.5%	97.66	6.8%	6.8%	97.68	0.09	Cheap	9.40
19	PBS007	9/29/2014	9/15/2040	15.88	9.0%	122.26	6.7%	6.8%	121.38	(8.22)	Expensive	9.22
20	PBS039	1/11/2024	7/15/2041	16.72	6.6%	98.23	6.8%	6.8%	98.29	0.44	Cheap	10.13
21	PBS035	3/30/2022	3/15/2042	17.38	6.8%	99.23	6.8%	6.8%	99.38	1.40	Cheap	10.24
22	PBS005	5/2/2013	4/15/2043	18.47	6.8%	99.48	6.8%	6.8%	99.15	(3.20)	Expensive	10.63
23	PBS028	7/23/2020	10/15/2046	21.97	7.8%	110.61	6.8%	6.9%	109.69	(7.68)	Expensive	11.21
24	PBS033	1/13/2022	6/15/2047	22.64	6.8%	98.60	6.9%	6.9%	98.33	(2.49)	Expensive	11.58
25	PBS015	7/21/2017	7/15/2047	22.72	8.0%	112.57	6.9%	6.9%	112.56	(0.27)	Expensive	11.26
26	PBS038	12/7/2023	12/15/2049	25.14	6.9%	98.92	7.0%	6.9%	99.40	3.95	Cheap	11.96

Source: Bloomberg, SSI Research

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