

## Our Take on the Sector

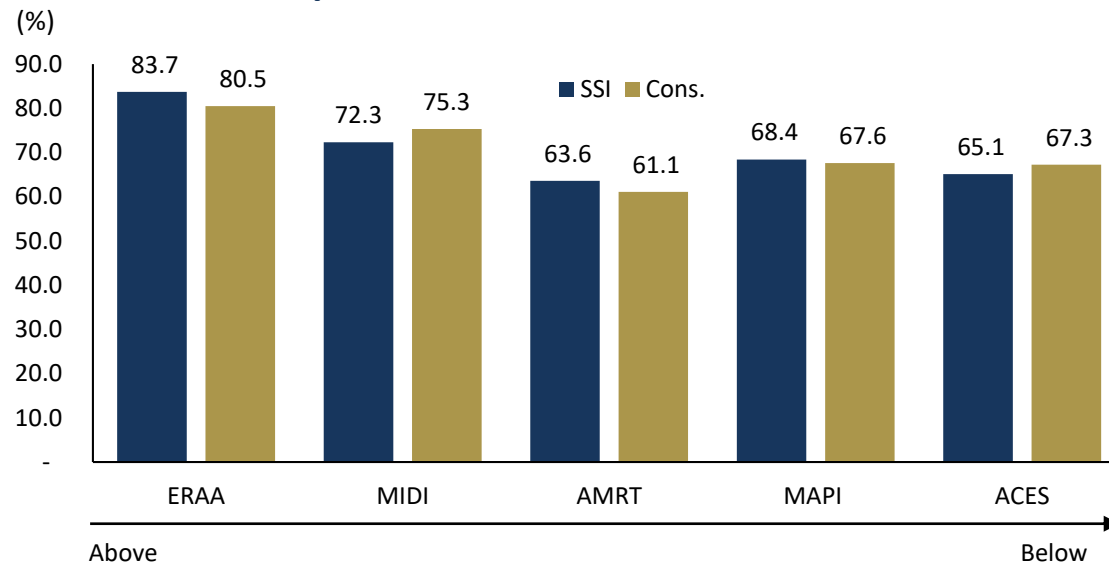
- Our retailers posted overall SSSG at mid-low teens and aggregate 3Q24 top-line growth of +12.2% YoY with MAPI booking the highest growth (+17.4% YoY), followed by MIDI (+14.6% YoY) and ACES (+12.6% YoY). On the bottom line, total growth for the sector was +18.2% YoY, with strong numbers from ERAA (+639.5%) and ACES (+13.7% YoY). Worth mentioning that ERAA's booked one-off gain in promotional support jumped +195.8% YoY, boosting operating income, while ACES' performance was mainly driven by solid ex-Java results and 'Boom Sale' impact. However, MAPI reported -10.0% YoY net profit, mainly on unfavorable product mix.
- In 2025F, we expect more robust growth from retailers, particularly those focusing in middle-up segments, given that the planned middle-class stimulus should help increase spending power. However, import tariffs will remain a key risk for most retailers under our coverage, as the government considers 200% import tax on Chinese products.
- At this juncture, we maintain our OW rating on retail sector with the following pecking order: ERAA>ACES>MIDI>AMRT>MAPI. We believe retailers focusing on the middle-up segments are well-positioned to benefit from robust demand, especially with the support of government stimulus. Additionally, we see ERAA's undemanding valuation as an attractive investment opportunity. Downside risks: lower-than-expected purchasing power and stronger USD.

## Peer Comparables

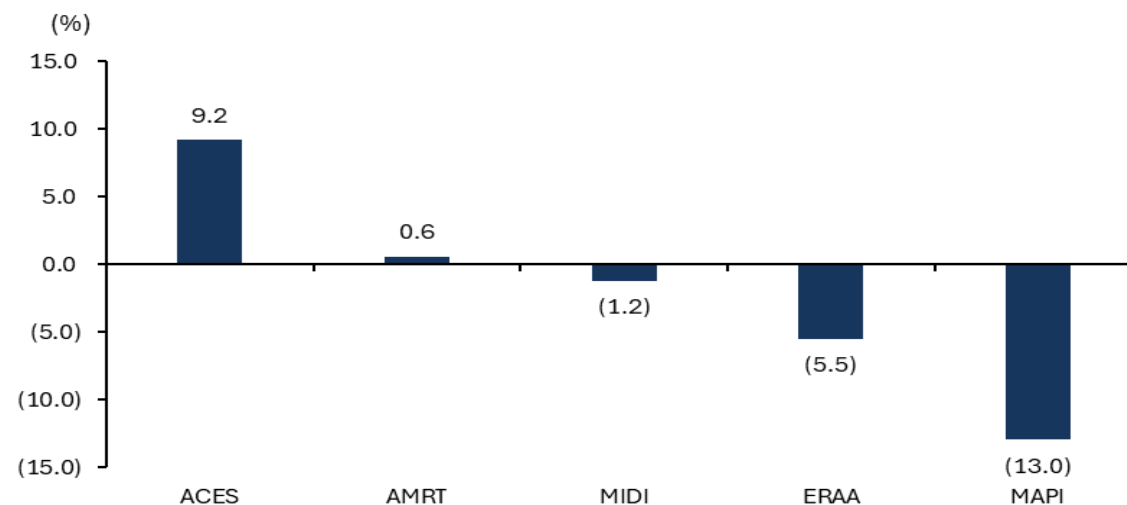
Company	Rating	Market Cap	Last Price	Target Price	2024F				
					EPS Gwt	P/E	P/S	Div. Yield	ROE
Ticker		(IDR Tn)	(IDR)	(IDR)	(%)	(x)	(x)	(%)	(%)
AMRT IJ	BUY	119.6	2,880	4,300	93.8	43.7	1.4	1.0	23.6
MAPI IJ	BUY	25.0	1,505	1,600	(0.8)	13.2	0.7	0.9	16.8
ACES IJ	BUY	13.2	770	1,200	15.5	23.3	2.5	3.9	13.3
MIDI IJ	BUY	13.8	414	580	23.1	19.1	0.7	1.6	16.2
ERAA IJ	BUY	6.6	412	560	18.8	6.6	0.1	4.5	10.4
<b>Sector</b>		<b>178.2</b>			<b>17.1</b>	<b>33.2</b>	<b>1.0</b>	<b>1.4</b>	<b>19.0</b>

Sources: Company, Bloomberg, SSI Research

## 9M24 Net Profit / SSI & Cons



## YTD Relative Performance vs JCI



Analysts: Jonathan Guyadi, Belva Monica