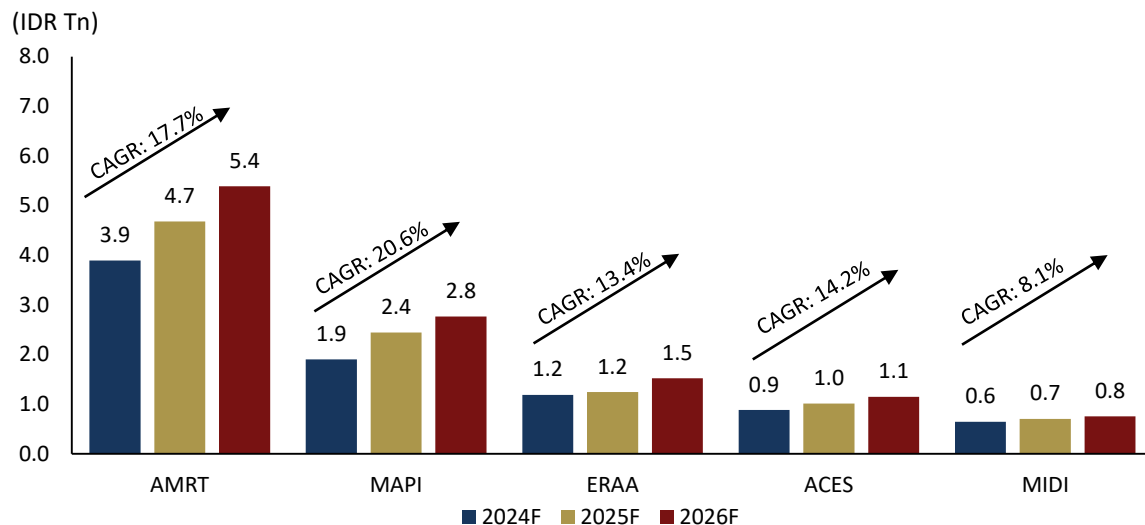


Retailers: Neutral with AMRT as Top-Pick

Retailers Sector Net Profit Outlook



SWOT Analysis: 2025 Outlook

Strength

In 2025, we are more constructive on defensive retailers with exposures to foods and basic items given current difficult operating environment on the back of IDR weakness and elevated interest rate levels

Opportunity

Potential rise in commodity prices due to La Niña coupled with IDR depreciation should support future SSSG, especially outside Java, as retailers continue to expand their presence in these regions

Weakness

High average minimum wage increase of 6.5% YoY may hurt retailers with middle-up target market as employee costs could reach c.50% of operating expenses; IDR depreciation may hurt purchasing power

Threat

Import tariffs and weaker local currency could cause higher local prices resulting in weaker SSSG; Unfavorable product mix could unfold due to consumer down trading amid weak purchasing power environment

Peer Comparables

Company	Rating	Market	Last	2025F					
		Cap	Price	TP	EPS Gwt	P/E	P/S	Div. Yield	ROE
Ticker		(IDR Tn)	(IDR)	(IDR)	(%)	(x)	(x)	(%)	(%)
AMRT IJ	BUY	119.2	2,870	4,000	20.1	25.5	0.9	1.3	24.9
MAPI IJ	BUY	22.8	1,375	1,600	28.6	9.3	0.5	1.2	19.3
MIDI IJ	BUY	14.0	418	580	8.4	19.9	0.6	1.7	15.7
ACES IJ	BUY	12.7	740	850	14.5	12.5	1.4	4.5	14.6
ERAA IJ	BUY	6.1	380	560	4.8	4.8	0.1	4.4	11.7
Sector		174.7			19.4	21.2	0.8	1.7	22.2

2024 Relative Performance vs JCI

