

ON THE SPOTLIGHT



US, Indonesia to Explore Mineral Pact as Biden and Jokowi Meet

The US and Indonesia are discussing the potential for cooperation on critical-mineral supplies, senior officials said ahead of a White House meeting between the two countries’ leaders. Both sides are expected to announce a joint initiative when Presidents Joe Biden and Joko Widodo meet on Monday, according to the officials, who cautioned that the discussions are at an early stage. The talks will focus on the possibility of moving toward a critical minerals agreement between the two countries, they said. Indonesia is the biggest source of nickel, accounting for almost half the world’s output of a key metal that’s used in high-performance batteries such as those powering electric vehicles. Jokowi, as the Indonesian leader is popularly known, is seeking to move his country higher on the EV value chain and promoting the idea of an OPEC-like alliance of nickel producers.

NEWS HIGHLIGHTS

INTP - Increased production volume of Grobogan Cement.
TAPG - TAPG subsidiary secures a loan facility from NISP and DBS.
PGEO: announces collaboration with Chevron and Mubadala Energy.

CORPORATE ACTIONS

NICL - Will distribute an interim dividend of IDR 42.54 billion.
BREN - Will pay IDR 523.41 billion in interim dividend.

FOREIGN FUND FLOW (EQUITY)

TOP NET BUY		TOP NET SELL	
Ticker	Value (IDR bn)	Ticker	Value (IDR bn)
BBRI	106.8	MAPI	56.8
BMRI	33.9	TLKM	47.2
BBCA	27.9	ICBP	43.2
ADRO	21.3	GOTO	42.2
MDKA	20.4	BBNI	28.1
TOTAL NET BUY	382.5	TOTAL NET SELL	450.0
TOTAL NET BUY/SELL		-67.5	

GLOBAL MARKET BRIEFS

Asia markets rise after soft U.S. inflation data; Japan economy shrinks faster than expected. Asia-Pacific markets jumped Wednesday, taking cues from Wall Street after a soft U.S. inflation reading boosted hopes of the Federal Reserve nearing the end of its interest rate-hiking cycle. Data on Wednesday showed Japan’s economy shrank during the third quarter for the first time in four quarters, amid slowing global demand and rising domestic inflation.

Goldilocks hopes return to Wall St after benign inflation report. A benign U.S. inflation report is bolstering hopes that the Federal Reserve can bring down consumer prices without hurting the economy, a so-called Goldilocks environment that investors believe will benefit stocks and bonds. The benchmark S&P 500 (.SPX) ended up 1.9% on the day, its biggest one-day rise since late April.

INDICES	Close	% Change
Dow Jones	34827.70	1.43
Nasdaq	14094.38	2.37
S&P 500	4495.70	1.91
EURO Stoxx 50	4291.72	1.41
FTSE 100	7440.47	0.20
Nikkei	32695.93	1.58
Hang Seng	17396.86	(0.17)
Jakarta Comp	6862.06	0.35

Commodities	Close	% Change
Brent Crude Oil (USD/bbl)	82.47	(0.06)
Gold Spot (USD/toz)	1962.28	(0.10)
LME Copper (USD/ton)	8144.00	0.78
LME Aluminium (USD/ton)	2203	(0.25)
LME Nickel (USD/ton)	17251	0.49
LME Tin (USD/ton)	24951	1.33
Newcastle Coal (USD/ton)	123	0.41
Palm Oil (MYR/ton)	3800	1.09

BONDS	Yield	Change
UST 2Y	4.853	0.017
UST 10Y	4.447	0.000
IDN 2Y	6.930	(0.013)
IDN 10Y	6.954	0.004

FOREX	Last	% Change
Dollar Index	104.053	(1.49)
USDIDR	15695	0.03
EURIDR	16799	(0.04)

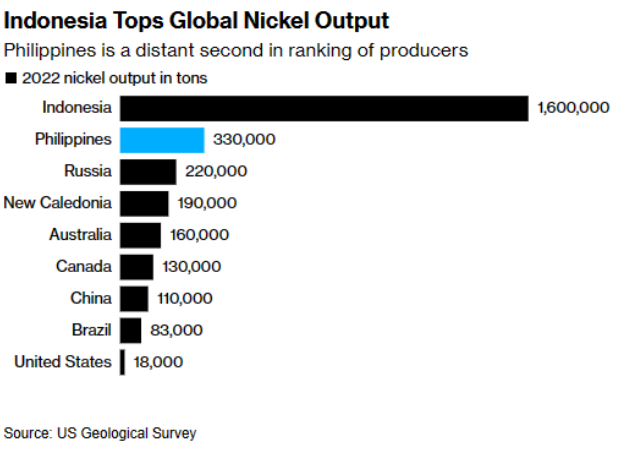
JAKARTA COMP	Price	% Change
GAINERS		
MDKA	2350	3.98
GGRM	22200	3.50
INCO	4780	3.02

LOSERS		
MNCN	390	(3.47)
CPIN	5475	(2.23)
TOWR	930	(2.11)

NEWS FLOW

CHART OF THE DAY

Biden is hosting Jokowi in Washington before this week’s Asia Pacific Economic Cooperation summit in San Francisco, which both leaders are scheduled to attend. One official said Biden and Jokowi will also discuss the Middle East, including a two-state solution for Israel and the Palestinians as well as the substantial financial resources necessary to rebuild Gaza. Cooperation on critical minerals will need to be coupled with stringent labor and environmental standards, one official said. The US is looking at how to help Indonesia diversify its semiconductor industry, the official said. When Vice President Kamala Harris and Jokowi met in Jakarta in September, Harris said the US will support his efforts to “expand Indonesia’s digital economy.” For Jokowi’s White House visit, the two countries plan to announce initiatives to combat climate change, including carbon capture and storage, supporting Indonesia’s electric grid and improving air quality.



MACRO & SECTOR NEWS

- U.S.:** Slowing US inflation boosts hopes Fed done with rate hikes. U.S. consumer prices were unchanged in October as Americans paid less for gasoline, and the annual rise in underlying inflation was the smallest in two years, bolstering the view that the Federal Reserve was probably done raising interest rates. The unchanged reading in the consumer price index, the first in more than a year, followed a 0.4% rise in September. Gasoline prices dropped 5.0%, offsetting the continued increase in the cost of rental accommodation. Prices at the pump rose 2.1% in September. The data also showed CPI increases 3.2% on year-on-year basis after rising 3.7% in September and core CPI rises 0.2%; gains 4.0% on year-on-year basis.
- E.U.:** Q3 GDP shrinks, but employment rises. The European Union's statistics office Eurostat confirmed its estimate from Oct 31 that gross domestic product in the 20 countries sharing the euro fell 0.1% quarter-on-quarter in the July-September period for a 0.1% year-on-year rise. But contrary to the usual trend when the economy weakens, employment in the euro zone rose 0.3% quarter-on-quarter in the same period, for a 1.4% year-on-year increase.

CORPORATE ACTION

- NICL:** Will distribute an interim dividend of IDR 42.54 billion. A nickel mining company under PAM Group, announces its plan to distribute an interim dividend of IDR 42.54 billion or IDR 4 per share. The interim dividend will be given to NICL’s shareholders who have been officially registered by the recording date on November 24, 2023. The payment of this interim dividend is due December 12, 2023. NICL scored a net profit of IDR 61.65 billion throughout 3Q23.
- BREN:** Will pay IDR 523.41 billion in interim dividend. BREN to distribute an interim dividend of IDR 523.41 billion for the 2023 fiscal year. The dividend amount was IDR 3.91 per share. The reference for providing interim dividends refers to Net Profit as of September 2023 of US\$ 84.47 million, retained earnings balance of US\$ 491.83 million, and total equity of US\$ 460.28 million.

COMPANY NEWS

- INTP:** Increased production volume of Grobogan Cement. INTP is optimistic about increasing the production volume of PT Semen Grobogan (SGB) to 2.9 million tons of cement after its acquisition. The transaction to acquire all SGB shares will be completed by the end of November 2023. The company will more efficiently distribute cement to Central Java by acquiring the SGB factory.
- TAPG:** TAPG subsidiary secures IDR 1.32 trillion loan facility from NISP and DBS. TAPG has signed a bilateral loan agreement with OCBC NISP and DBS. The bilateral loan facilities from OCBC NISP amounted to IDR 731 billion and from DBS IDR 589 billion. So the total loan facilities obtained by the company's subsidiaries amounted to IDR 1.32 trillion.
- PGEO:** announces collaboration with Chevron and Mubadala Energy, to explore geothermal potential in Kotamobagu, North Sulawesi. PGEO together with Chevron and Mubadala Energy have signed a Joint Study Agreement (JSA). With this cooperation instrument, the three parties will conduct a joint study for the development of the Kotamobagu Geothermal Working Area (WKP).

FUNDAMENTAL HIGHLIGHTS

	Market Cap (IDR tn)	Last Price	Target Price	EPSg FY22 (%)	EPSg FY23E (%)	PBV (x)	LDR (%)	NPL	NIM (%)	ROE (%)	Div Yield %
Financials											
BBCA	1,100	8,925	11,650	29.4	20.1	4.7	68.9	1.7	5.5	21.5	2.5
BBRI	769	5,075	5,650	31.9	16.7	2.5	90.0	2.7	8.1	18.6	4.8
BMRI	544	5,825	6,675	46.8	27.0	2.2	82.8	1.9	5.6	21.8	5.5
BBNI	182	4,880	8,875	67.8	16.1	1.3	86.7	2.8	4.9	15.0	4.9
BBTN	17	1,205	1,480	33.3	(11.8)	0.6	92.7	3.4	3.8	12.3	3.7
Avg peers.				41.8	13.6	2.3	84.2	2.5	5.6	17.8	4.3

	Market Cap (IDR tn)	Last Price	Target Price	EPSg FY22 (%)	EPSg FY23E (%)	PBV (x)	PER (x)	EV / EBITDA	DER (%)	ROE (%)	Div Yield %
Comm. Services											
TLKM	347	3,500	4,000	(16.2)	25.2	2.7	13.3	5.4	42.2	18.6	5.2
ISAT	75	9,300	11,200	(52.8)	(22.1)	2.6	20.6	5.0	178.5	13.6	3.2
EXCL	28	2,160	3,200	(13.2)	(4.6)	1.1	21.7	4.7	170.6	5.0	
TOWR	47	930	1,550	0.2	(1.6)	2.9	13.8	11.2	311.6	22.2	2.6
TBIG	47	2,060	3,050	2.4	(9.1)	4.4	31.2	15.6	271.2	12.9	1.7
MNCN	6	390	780	(15.4)	(17.9)	0.3	3.0	3.0	10.9	6.6	2.1
SCMA	11	152	210	(37.2)	(36.8)	1.3	17.8	8.9	3.5	3.4	3.0
Avg peers.				-18.9	-9.6	2.2	17.4	7.7	141.2	11.7	3.0

Materials											
MDKA	57	2,350	N/A	62.4	(140.0)	3.9	#N/A/N/	30.7	69.7	(9.0)	
INCO	47	4,780	7,250	21.0	33.7	1.2	11.3	8.9	0.2	10.5	
ANTM	39	1,620	2,700	105.2	(2.5)	1.6	10.4	9.3	13.3	17.1	2.8
SMGR	42	6,225	8,600	15.4	(0.6)	1.0	15.8	7.2	30.4	6.1	3.5
INTP	35	9,425	15,900	8.8	9.3	1.6	16.3	10.1	5.0	11.1	1.7
Avg peers.				42.5	-20.0	1.9	13.5	13.2	23.7	7.2	2.7

Cons. Staples											
UNVR	133	3,480	3,890	(6.6)	2.8	24.7	24.0	21.5	32.1	89.0	4.1
ICBP	122	10,450	13,150	(28.4)	100.3	3.0	13.3	11.8	80.0	21.9	2.3
INDF	56	6,375	8,800	(17.1)	53.2	1.0	5.8	5.9	70.8	16.0	4.1
HMSP	116	995	970	(11.5)	28.5	4.1	14.3	10.7	1.7	27.9	5.5
GGRM	43	22,200	27,800	(50.4)	120.5	0.7	6.9	5.9	17.6	9.9	5.4
CPIN	90	5,475	6,000	(19.0)	7.4	3.1	28.5	18.5	35.5	8.7	1.8
JPFA	14	1,215	1,070	(29.8)	(13.7)	1.1	11.5	7.2	94.2	7.2	4.1
Avg peers.				-23.3	42.7	5.4	14.9	11.6	47.4	25.8	3.9

Agriculture											
AALI	14	7,025	7,100	(12.4)	(44.6)	0.6	14.1	5.0	18.2	6.1	6.0
LSIP	6	920	980	4.1	(39.7)	0.6	10.0	1.9	0.0	6.1	0.1
Avg peers.				-4.2	-42.1	0.6	12.1	3.5	9.1	6.1	3.0

FUNDAMENTAL HIGHLIGHTS

	Market Cap (IDR tn)	Last Price	Target Price	EPSg FY22 (%)	EPSg FY23E (%)	PBV (x)	PER (x)	EV / EBITDA	DER (%)	ROE (%)	Div Yield %
Cons. Discre											
ASII	230	5,675	7,800	43.3	9.3	1.2	7.3	5.3	29.0	16.5	11.5
ACES	14	810	970	(3.8)	6.9	2.4	19.7	5.4	11.9	14.1	2.9
MAPI	26	1,590	2,350	412.0	3.2	2.7	12.0	5.0	58.2	24.9	
ERAA	5	334	650	(0.2)	(14.9)	0.8	6.1	4.3	67.1	12.5	6.3
Avg peers.				112.8	1.1	1.8	11.3	5.0	41.6	17.0	6.9
Energy											
UNTR	87	23,250	29,500	106.1	(7.9)	1.1	4.4	1.7	3.4	26.6	29.4
ADRO	79	2,480	2,500	174.4	(39.0)	0.7	3.2	1.2	24.2	28.8	20.3
PTBA	28	2,390	2,750	55.8	(52.2)	1.4	4.6	1.7	4.7	28.0	55.5
ITMG	28	25,000	25,000	148.8	(48.5)	1.1	2.9	0.8	2.6	39.2	31.3
HRUM	20	1,470	1,850	299.2	(16.5)	1.4	4.9	2.7	0.2	40.1	
INDY	8	1,540	2,100	174.5	(39.1)	0.4	1.9	0.8	81.9	18.1	
AKRA	29	1,455	1,650	116.2	8.4	2.7	11.1	8.1	22.9	24.5	#N/A N/A
MEDC	30	1,205	1,500			1.1	7.0	2.8	191.0	23.0	1.3
Avg peers.				153.6	-27.8	1.2	5.0	2.5	41.4	28.5	27.6
Health Care											
KLBF	75	1,605	2,040	7.1	(6.6)	3.6	23.6	19.3	5.3	14.8	2.7
MIKA	38	2,690	3,100	(17.0)	(4.8)	6.7	39.0	27.7	-	17.7	1.3
HEAL	23	1,500	1,700	(69.7)	54.6	5.9	47.2	21.9	28.0	11.4	
Avg peers.				-26.6	14.4	5.4	36.6	23.0	11.1	14.6	2.0
Industrials											
JSMR	33	4,550	5,100	70.1	(18.6)	1.5	14.6	9.0	199.9	14.5	1.7
WSKT	#VALUE!	#N/A N/A	390	(58.3)		#N/A N/A			461.0	(62.8)	#N/A N/A
WIKA	4	404	590			0.3		31.7	190.9	(16.0)	-
PTPP	4	585	850			0.3		10.6	135.0	3.3	6.3
ADHI	3	394	470	24.5		0.4	33.8	12.1	118.9	1.2	5.6
Avg peers.						0.6	24.2	15.8	221.1	-12.0	3.4
Utilities											
PGAS	27	1,130	1,600	-	(15.4)	0.7	7.7	3.8	64.1	8.2	12.4
Avg peers.						0.7	7.7	3.8	64.1	8.2	12.4
Real Estate											
PWON	20	414	620	11.3	25.3	1.1	10.9	8.2	30.3	10.3	
BSDE	21	1,005	1,350	80.4	0.4	0.6	6.4	5.7	31.5	9.6	
CTRA	21	1,125	1,500	7.4	(2.0)	1.1	13.8	6.3	42.4	8.1	
SMRA	9	575	755	81.9	23.9	1.0	9.8	8.9	50.3	10.4	
Avg peers.				45.3	11.9	0.9	10.2	7.3	38.6	9.6	
IT											
GOTO	97	81				0.7			2.0	(22.2)	
BUKA	22	210				0.8			0.2	(9.1)	
Avg peers.						0.8			1.1	-15.7	



DISCLAIMER & LEGAL INFORMATION:

GENERAL, RISK, FORECASTS REFERRED TO...

This material is issued by PT Sinarmas Sekuritas, a member of Indonesia Stock Exchanges, represent the opinion of Sinarmas Sekuritas, derived its judgment from sources deemed reliable, however, PT Sinarmas Sekuritas and its affiliated cannot guarantee its accuracy and completeness. Important sources for the production of this document are e.g. Indonesia Stock Exchange & Central Bank of Indonesia, national and international media & information services (e.g. Bloomberg Finance L.P), publicly available databases, economic journals and news portals (e.g. Bisnis Indonesia, Kontan, Investor Daily, IDN Financials, Dinsight, etc), publicly available company information and publications of rating agencies.

All information and data used for this document relate to past or present circumstances and may change at any time without prior notice. Statements contained in this document regarding financial instruments or issuers of financial instruments relate to the time of the production of this document. Such statements are based on a multitude of factors which are subject to continuous change. A statement contained in this document may, thus, become inaccurate without this being published. Potential risk regarding statements and expectations expressed in this document may result from issuer specific and general (e.g. political, economic, market, etc.) developments.

SUITABILITY

This document has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Before entering into any transaction, investors should consider the suitability of the transaction to individual circumstances and objectives. Any investment or trading or other decision should only be made by the client after a thorough reading of the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. This document should not be read in isolation without reference to the full research report.

IMPORTANT LEGAL INFORMATION

PT Sinarmas Sekuritas or its affiliates may be involved in transactions contrary to any opinion herein or have positions in the securities recommended herein and may seek or will seek investment banking or other business relationships with the companies in this material. PT Sinarmas Sekuritas, its employees and its affiliates, expressly disclaim any and all liability for representation or warranties, expressed or implied, here in or omission there from or for any loss how so ever arising from any use of this material or its contents or otherwise arising in connection there with opinion expressed in this material are our present view and are subject to change without notice.

To the fullest extent allowed by law, Sinarmas Sekuritas shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by any person or organization arising from reliance on or use of any information contained on this report. The information that we provide should not be construed in any manner whatsoever as, personalized advice.

'This document is intended for information purposes only'. For further information please contact our number +62 21 392 5550 or fax +62 21 392 2320.

PT Sinarmas Sekuritas

Sinarmas Land Plaza Tower 3, 5th Fl.

Jl. M.H. Thamrin no.51

Tel. +62 21 392 5550

Fax. +62 21 392 5540

research@sinarmassekuritas.co.id