

Monthly Bulletin

September 2023

What's Inside



Calendar

US Initial Jobless Claim (14-Sep)
US FOMC Rate Decision(21-Sep)
ID BI 7D Repo Rate (21-Sep)



Global Event

Peningkatan UST Yield mengakibatkan tekanan pada beberapa *asset class* di negara-negara EM. Hal ini mengakibatkan kinerja beberapa negara mengalami penurunan untuk di bulan Aug'23.



Indonesia

Data-data dalam 1 bulan terakhir memperlihatkan ekonomi Indonesia yang relatif sehat i.e GDP 5.17%, Inflasi inti 2.43% dan PMI yang masih diatas 50. Namun, IDR mengalami tekanan yang diikuti oleh outflow terlihat dari FX Res. Kami melihat hal ini masih akan berlangsung di saat tingkat yield UST tinggi



Equity Market

Kinerja IHSG ditutup sebesar +1.43% YTD atau +0.51 % MoM (*cutoff date: 31-Aug-23*). Top 3 *Leaders* 1) AMMN, 2) BMRI, 3) BRPT dan Top 3 *Laggards* 1) GOTO, 2) BYAN, 3) BBRI. Investor asing melakukan *net sell* sebesar -1.31bio USD di bulan Aug'23



Fixed Income Market

Yield 10 tahun obligasi sedikit melemah dari level 6.25 di Jul'23 menjadi 6.38 di Aug'23. Hal ini terlihat masih berlanjut diakibatkan tekanan dari UST dan DXY. Kepemilikan investor asing masih meningkat menjadi 15.4%.



Section
01



Macro Updates

2H23 Key Macro Narrative

Tracking Our Investment Thesis

Macro narrative for 2H23

2H23 narrative will be around disinflation phase, what it means for a soft-landing, china growth, election in 2024F.

Merekapitulasi pandangan kami dari sisi local dan global macro dari 2H23 :

- 🏠 *Inflation Aspect : Continue Disinflation*
- 🏠 *Policy Rate Aspect : Elevated Rates for a While Open-up Buying Opportunity*
- 🏠 *Growth Aspect : Weak China ≠ Weak IDR*
- 🏠 *Growth Aspect : Consumption Bonus on the back Election.*

Adapun hal lain yang menurut kami dapat memberikan insight terhadap pergerakan pasar belakangan ini :

- 🏠 *Liquidity Aspect : Was Banking Liquidity Ample or Not ?*

Berdasarkan perkembangan hal-hal diatas, kami saat ini masih memiliki preferensi aset kelas sebagai berikut

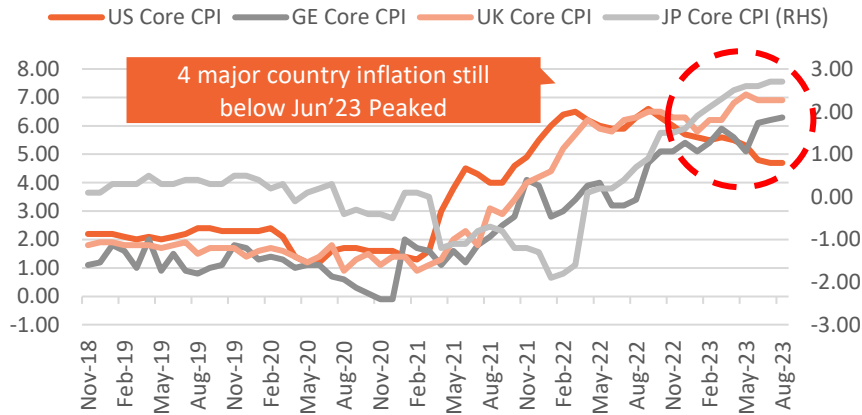
1. *Equity & Fixed Income : Balance Preference at 50/50*
2. *Money Market*

1) Continue Disinflation

Recent increase on UST seems didn't coming from higher inflation

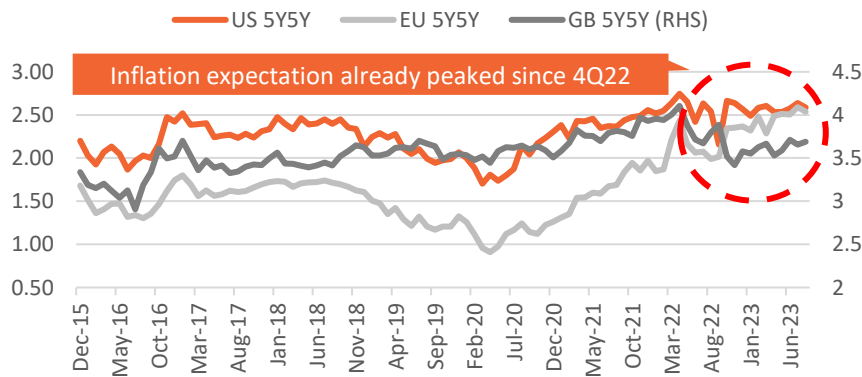
Major Countries showing promising disinflation

In Core CPI %YoY



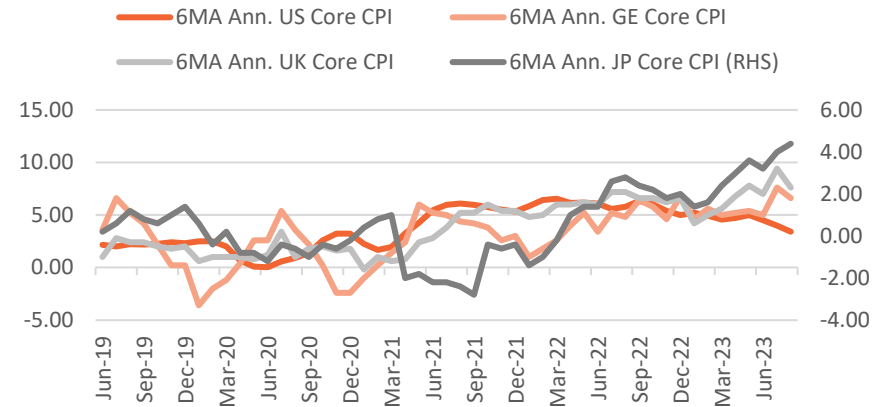
Recent, 10Y UST increase wasn't coming from inflation exp.

In 5Y5Y inflation swap %



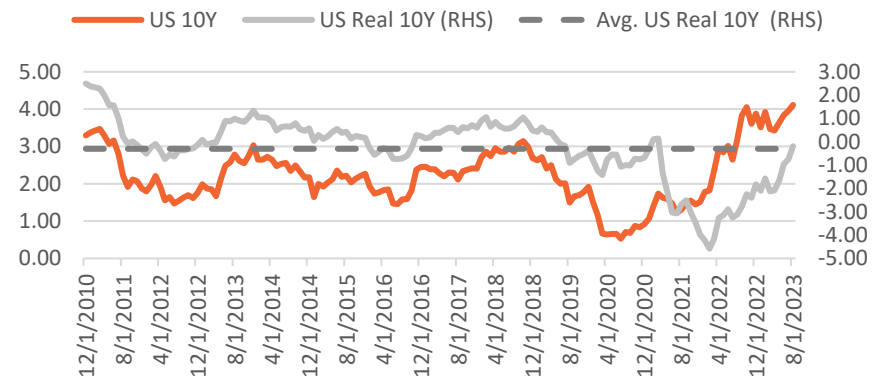
Only Japan had slightly increase due seasonality

In 6MA annualized Core CPI



10Y UST could be justified from Real Yield Perspective

In nominal and real yield %



2) Elevated Rates for a While

However, weaker labor market might change FOMC views

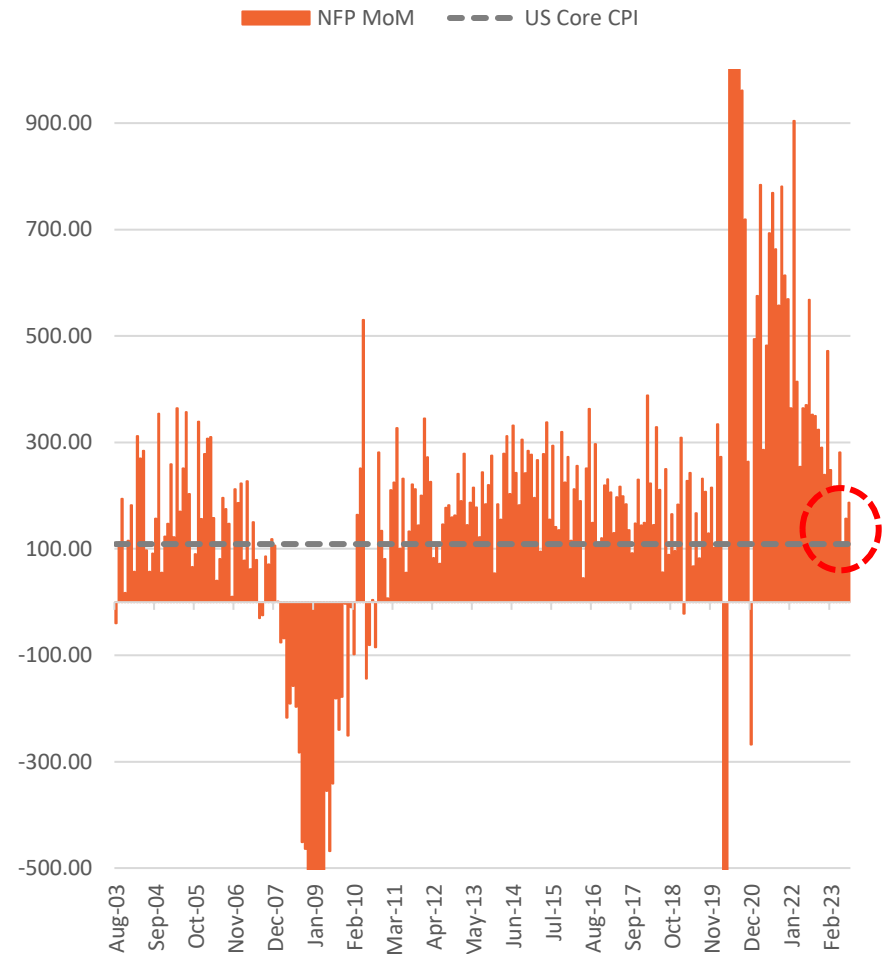
One more times increase still very probable

In prob. %

MEETING PROBABILITIES										
MEETING DATE	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550	550-575	575-600
20/09/2023			0,0%	0,0%	0,0%	0,0%	0,0%	95,0%	5,0%	0,0%
01/11/2023	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	53,7%	44,1%	2,2%
13/12/2023	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	53,2%	44,2%	2,5%
31/01/2024	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	5,5%	52,3%	39,9%	2,3%
20/03/2024	0,0%	0,0%	0,0%	0,0%	0,0%	1,5%	18,6%	48,8%	29,4%	1,6%
01/05/2024	0,0%	0,0%	0,0%	0,0%	0,6%	8,0%	30,1%	41,4%	18,8%	1,0%
12/06/2024	0,0%	0,0%	0,0%	0,3%	4,5%	19,5%	36,0%	29,7%	9,5%	0,5%
31/07/2024	0,0%	0,0%	0,2%	2,7%	13,2%	29,1%	32,3%	18,0%	4,3%	0,2%
18/09/2024	0,0%	0,1%	1,9%	9,9%	24,1%	31,3%	22,5%	8,6%	1,5%	0,1%
07/11/2024	0,1%	1,2%	6,8%	18,5%	28,5%	26,0%	14,1%	4,3%	0,6%	0,0%
18/12/2024	0,9%	5,4%	15,5%	25,9%	26,6%	17,1%	6,8%	1,6%	0,2%	0,0%

Lower NFP should be viewed as weak economy

In thousand of no. job



3) Weak China ≠ Weak IDR

Unlike 2015 (Yuan Deval.), IDR seems to be driven more on UST rates

Major Countries showing promising disinflation

In %YoY



Major Countries showing promising disinflation

In %YoY



Was Banking Liquidity Ample or Not ?

Excess liquidity normalizing, current OMO might be the new normal

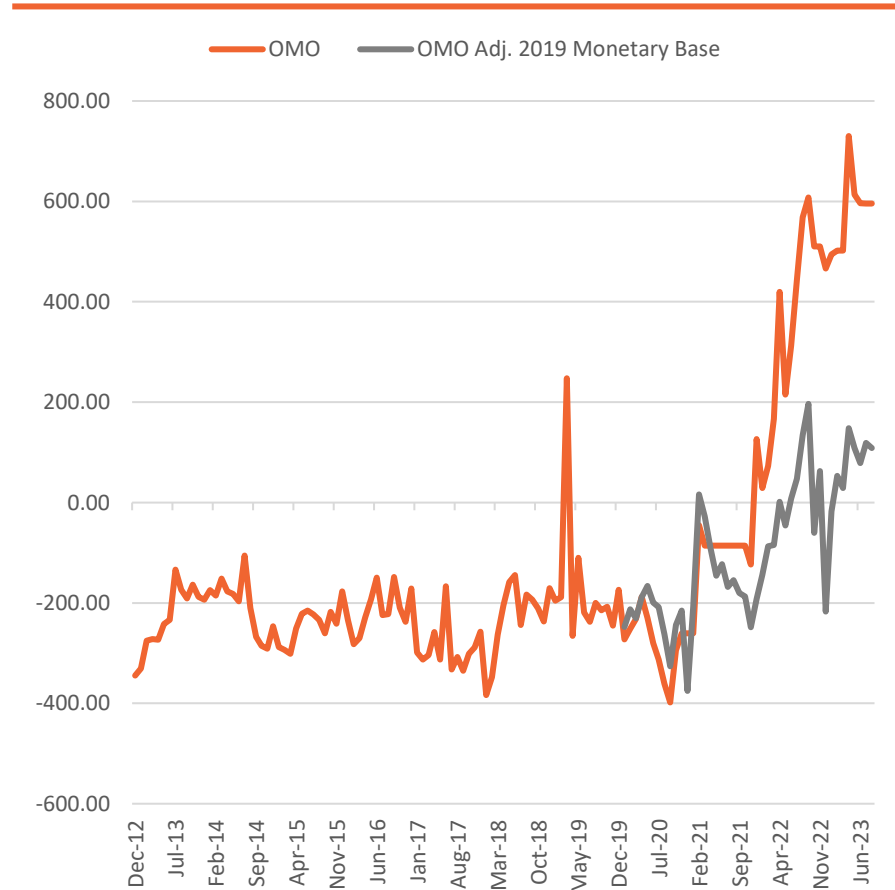
Morning banking liquidity already at 2019 level despite high OMO

In bio IDR



OMO wasn't that high if consider adjusting its monetary base

In trn IDR



Section
02



Fixed Income

2H23 Fixed Income Narrative

Tracking Our Investment Thesis

Fixed Income narrative for 2H23

2H23 are positioning for cut-rate, what to do with narrow risk-premium

Merekapitulasi pandangan kami dari sisi lokal dan *global fixed income catalyst* dari 2H23

- 🏰 *Policy Rate Aspect : Cut-rate still intact for 2024F*
- 🏰 *Rates Aspect : Narrow Risk Premium was a New Normal*
- 🏰 *Curve Aspect : Expect Flattening at least until early next year*
- 🏰 *Local Aspect: Supply Risk was minimum at least for this year*

Berdasarkan perkembangan hal-hal diatas, kami saat ini masih memiliki pandangan sebagai berikut :

- 🏰 Kami melihat dari sisi ini *capital allocation* dapat berubah dengan asumsi *disinflasi* terjadi di semua regional. Untuk memaksimalkan *return* di sisi *sovereign*, *investor global* setidaknya akan memiliki 2 kategori untuk melihat EM yaitu : 1) Tingkat *disinflasi* yang masih tinggi, 2) *Real yield* yang ditawarkan relatif bersaing.
- 🏰 Berdasarkan hal tersebut, kami melihat INDOGB sudah *price-in* sebagian besar hal ini. Untuk hal ini terjadi kami melihat beberapa RY negara perlu menurun sehingga INDOGB sedikit lebih atraktif. *Target 10Y yield base case 2H23F* berada di *range 6.50 – 6.75%*.

1) Cut-rate still intact for 2024

Despite 1 more hike on FFR in 1Q23

FFR Interest Rate probability show possible 1 more hike in 1Q24

In %YoY

MEETING PROBABILITIES										
MEETING DATE	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550	550-575	575-600
20/09/2023			0,0%	0,0%	0,0%	0,0%	0,0%	95,0%	5,0%	0,0%
01/11/2023	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	53,7%	44,1%	2,2%
13/12/2023	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	53,2%	44,2%	2,5%
31/01/2024	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	5,5%	52,3%	39,9%	2,3%
20/03/2024	0,0%	0,0%	0,0%	0,0%	0,0%	1,5%	18,6%	48,8%	29,4%	1,6%
01/05/2024	0,0%	0,0%	0,0%	0,0%	0,6%	8,0%	30,1%	41,4%	18,8%	1,0%
12/06/2024	0,0%	0,0%	0,0%	0,3%	4,5%	19,5%	36,0%	29,7%	9,5%	0,5%
31/07/2024	0,0%	0,0%	0,2%	2,7%	13,2%	29,1%	32,3%	18,0%	4,3%	0,2%
18/09/2024	0,0%	0,1%	1,9%	9,9%	24,1%	31,3%	22,5%	8,6%	1,5%	0,1%
07/11/2024	0,1%	1,2%	6,8%	18,5%	28,5%	26,0%	14,1%	4,3%	0,6%	0,0%
18/12/2024	0,9%	5,4%	15,5%	25,9%	26,6%	17,1%	6,8%	1,6%	0,2%	0,0%

Consensus Expect 4-5 Times Cut from Bank Indonesia

In %YoY

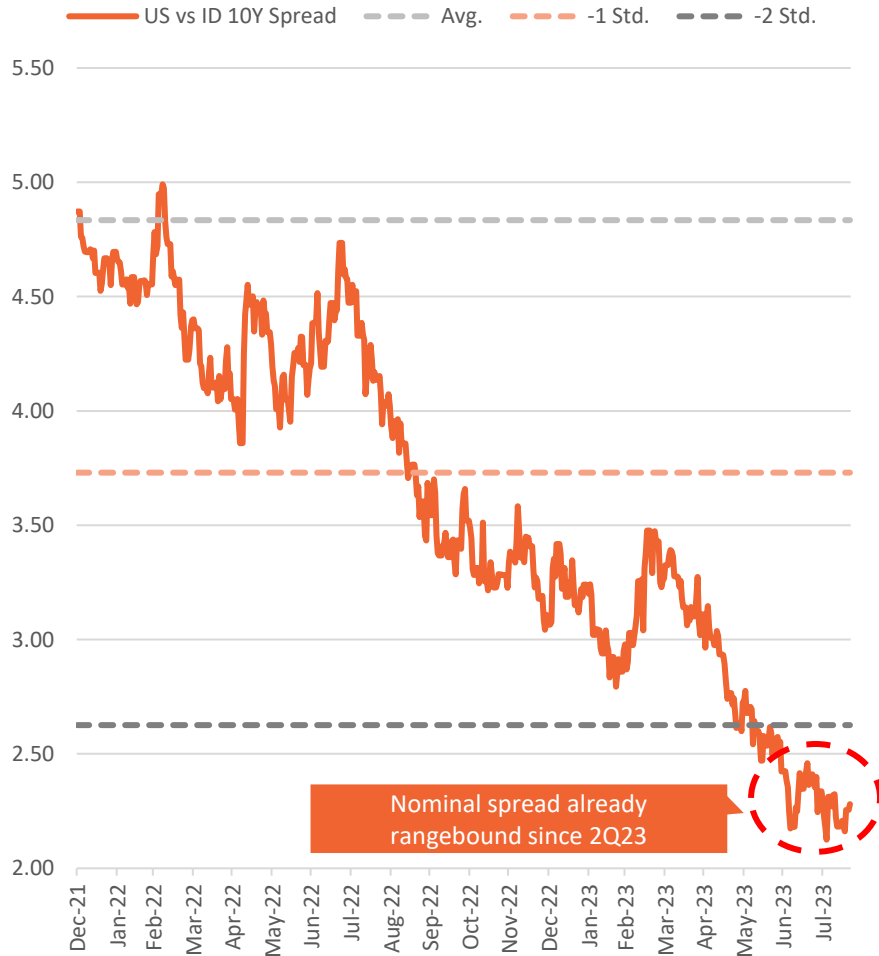
7D BI Repo	Current	4Q23F	1Q24F	2Q24F	3Q24F	4Q24F
Sep-22	4.25	5.10	5.00	4.80	4.75	4.50
Oct-22	4.75	5.30	5.10	4.85	4.80	4.50
Nov-22	5.25	5.65	5.60	5.50	5.30	5.05
Dec-22	5.50	5.70	5.60	5.45	5.25	5.05
Jan-23	5.75	5.75	5.65	5.50	5.25	5.05
Feb-23	5.75	5.75	5.50	5.35	5.15	4.90
Mar-23	5.75	5.75	5.50	5.35	5.15	4.90
Apr-23	5.75	5.75	5.55	5.40	5.15	4.95
May-23	5.75	5.60	5.35	5.10	4.90	4.80
Jun-23	5.75	5.55	5.35	5.15	4.95	4.80
Jul-23	5.75	5.55	5.40	5.20	5.05	4.80
Aug-23	5.75	5.65	5.40	5.20	5.05	4.90

2) Narrow Risk Premium was New Normal

Indo Risk Premium had been moving in range in the past 3-6 months

Indo Nominal Spread Seems Stabilize Below -2 Std (2018-2023)

In %



Indo Real Spread Seems Stabilize Below -1 Std (2018-2023)

In %

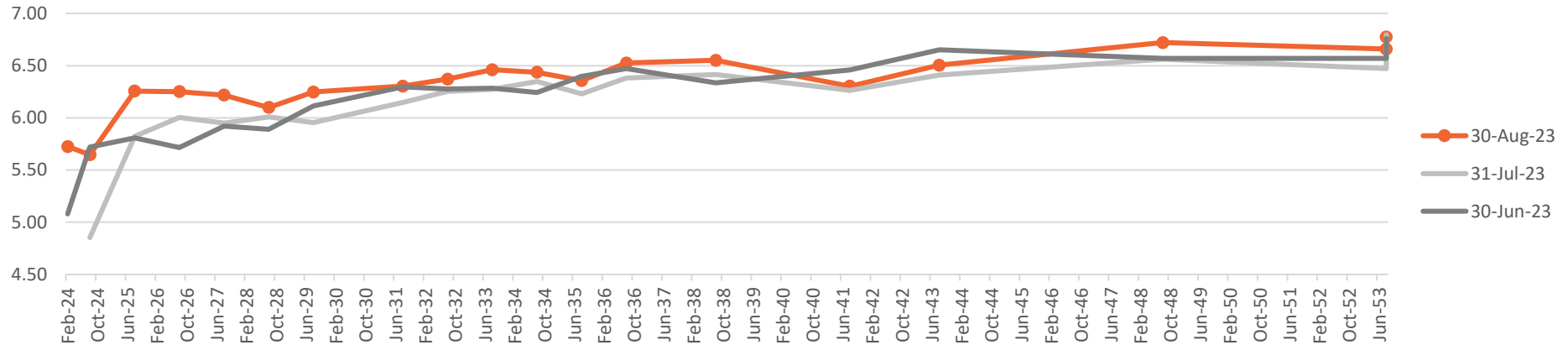


3) Expect Flattening Curve Until Early Next Year

Short-Term yield keep pushing up to flattened the curve

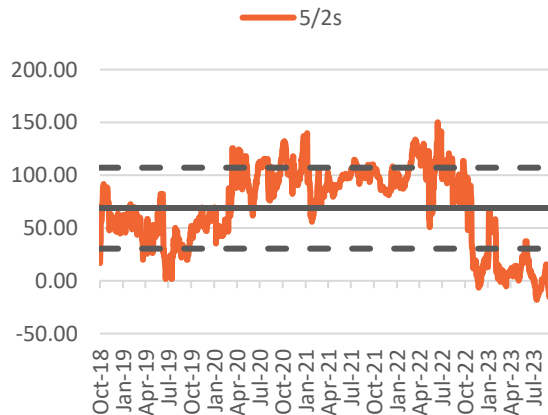
INDOGB Yield Curve

In ppt



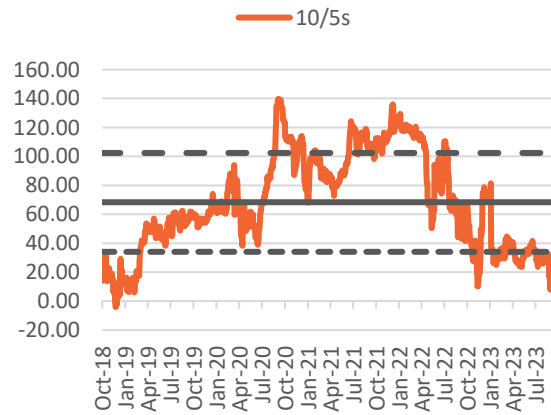
5/2s 5Y Historical Spread

In bps



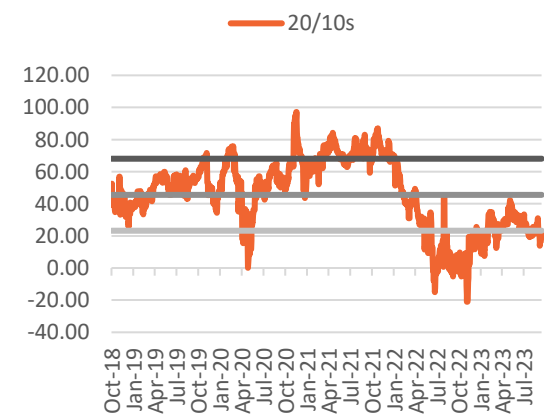
10/5s 5Y Historical Spread

In bps



20/10s 5Y Historical Spread

In bps



Supply Risk was minimum at least for this year

Latest 2W weeks auction already the same with remaining issuance target

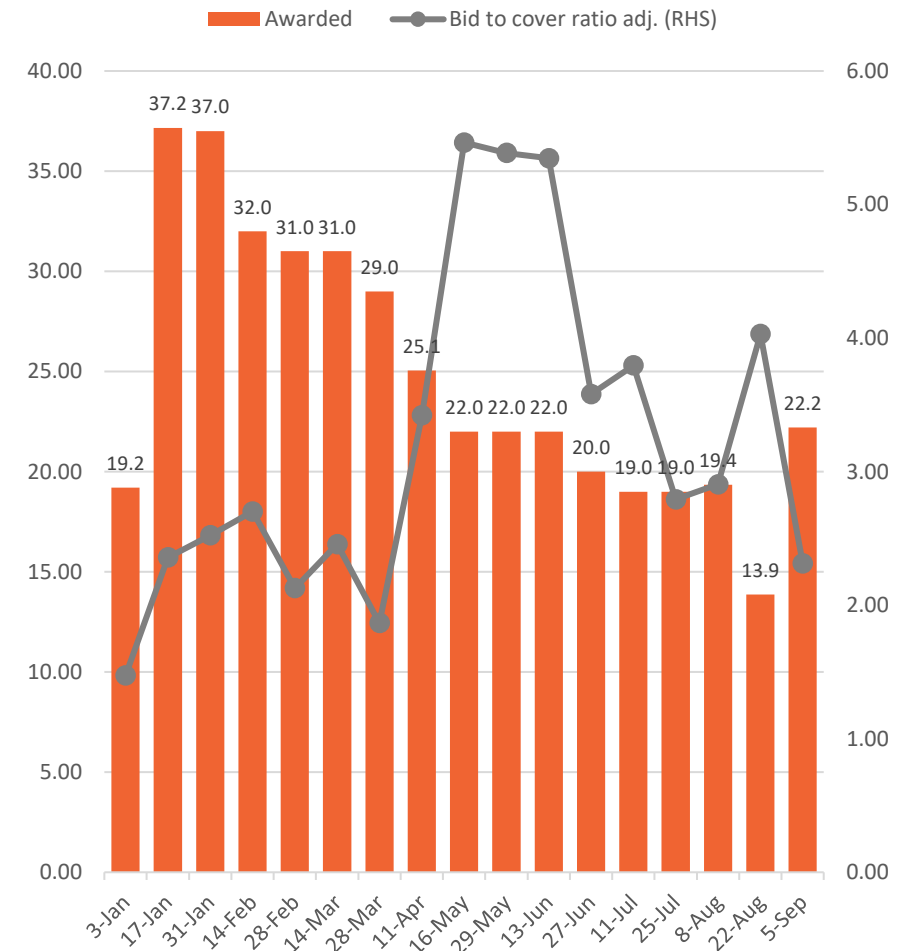
At 2.3 Fiscal Deficit Auction target seems very reasonable

In trn per 2 weeks auction

Government Securities	APBN 2023	RAPBN 2024	Govt Bond Issuance Realization YTD (12-Sep-23)	Govt Forecast 2023	Mansek Forecast 2023	Remain ing Issuance Target	Remain ing Issuance Target
Budget Deficit	-598.2	-522.8		-486.4	-356.8		
% of GDP	-2.9	-2.3		-2.3	-1.7	-2.3	-1.7
Gross Bond Supply	1193.2	1271.2	587.3	843.2	713.6	255.9	126.3
Gross Local Currency Bonds	1048.5	1117.0	529.3	843.2	713.6	313.9	184.3
Auction Program	837.9	892.6	431.2	592.1	501.1	160.9	69.9
Retail Bonds	179.0	190.7	87.7	126.5	107.0	38.8	19.3
Private Placement	31.6	33.7	10.4	22.3	18.9	11.9	8.5
Gross Foreign Currency Bonds	144.7	154.2	58.0	102.3	86.5	44.3	28.5
Avg. per 2 weeks auction	34.9	37.2	31.9	24.7	20.9	21.5	9.3
Source of Financing	598.2	522.8		486.4	356.8		
Debt Financing	696.3	648.1		406.3	276.8		
Government bonds - nett	712.9	666.4		362.9	233.3		
Loan program - nett	-16.6	-18.4		43.4	43.4		
Investment Financing	-176.0	-176.2		-153.4	-153.4		
Loan Financing	5.3	-0.3		4.0	4.0		
Liability Financing	-0.3	-0.8		-0.3	-0.3		
Others	72.8	52.0		229.7	229.7		

Latest 2W Auction Target already same to remaining iss. target

In trn per 2 weeks auction



Government Bond Market Comparison

INDOGB real yield relatively comparable while spread narrowing compare to peers

Government Bond Market Comparison

In %

Country	10Y Yield (%)		Spread to US 10Y			Inflation		Real Yield (%)		CAD	Fiscal Deficit	Credit Rating
	Current	YTD Chg. (bps)	2022	Current	Chg.	Current	2023F	Current Inflation	2023F Inflation	2023F	2023F	
Brazil	11.21	-148	8.81	6.98	-1.84	3.99	4.73	7.22	6.48	-2.03	-7.45	BB-
South Africa	11.99	121	6.91	7.77	0.85	4.70	5.86	7.29	6.13	-2.25	-5.10	BB
India	7.16	-17	3.45	2.93	-0.52	7.44	6.60	-0.28	0.56	-2.10	-6.40	BBB-u
Italy	4.44	-25	0.82	0.21	-0.61	5.90	6.20	-1.46	-1.76	0.70	-4.70	BBBu
Portugal	3.39	-19	-0.30	-0.84	-0.54	3.07	5.30	0.32	-1.91	1.30	-0.35	BBB+u
Mexico	9.60	58	5.15	5.37	0.22	4.79	5.51	4.81	4.09	-0.90	-3.90	BBB+
Romania	6.87	-142	4.41	2.64	-1.77	9.44	10.50	-2.57	-3.63	-7.10	-4.80	BBB-
Hungary	6.98	-207	5.17	2.75	-2.43	17.60	17.90	-10.62	-10.92	-2.80	-4.30	BBB-
Colombia	10.90	-211	9.14	6.67	-2.46	11.78	11.60	-0.88	-0.70	-4.00	-4.20	BBB-
Indonesia	6.61	-30	3.04	2.38	-0.65	3.08	3.70	3.53	2.91	-0.30	-2.30	BBB
Average Peers in BBB & BB*			4.34	3.69				3.62	3.25			
Spain	3.72	7	-0.23	-0.51	-0.28	2.30	3.40	1.42	0.32	1.50	-4.10	Au
South Korea	3.90	34	-0.32	-0.33	-0.01	2.30	0.64	1.60	3.26	1.60	-1.20	AA
China	2.64	-20	-1.04	-1.59	-0.55	-0.30	7.60	2.94	-4.96	1.50	-5.50	A+
Chile	5.85	64	1.33	1.62	0.29	6.50	1.80	-0.65	4.05	-3.60	-2.15	A+
Thailand	2.98	34	-1.24	-1.25	-0.01	0.38	2.90	2.60	0.08	1.50	-3.20	A-
Malaysia	3.88	-17	0.16	-0.35	-0.52	2.00	11.90	1.88	-8.03	2.40	-5.00	A
Poland	5.61	-123	2.97	1.38	-1.59	10.80	4.10	-5.19	1.51	-0.05	-4.90	A
Average Peers in A Credit			0.23	-0.15				0.66	-0.54			
United States	4.23	35				3.20	4.10	1.03	0.13	-3.2	-5.75	AA+u

Indonesian Bonds Ownership

Continous foreign inflow at the same time outflow from central bank

Ownership on Tradeable Indonesia Government Bonds

In IDR Trn

Ownership Level

Year	Bank	Central Bank	Mutual Fund	Insurance & PF	Foreign	Retail	Others	Total
Yearly								
2016	21.2%	8.9%	4.8%	18.4%	37.5%	3.3%	5.9%	100.0%
2017	21.6%	8.6%	5.0%	16.6%	39.8%	2.9%	5.6%	100.0%
2018	21.8%	9.2%	5.0%	17.5%	37.7%	3.1%	5.7%	100.0%
2019	20.7%	9.9%	4.8%	17.1%	38.6%	2.9%	5.9%	100.0%
2020	24.7%	22.6%	4.2%	14.0%	25.2%	3.4%	6.0%	100.0%
2021	25.0%	26.1%	3.4%	14.0%	19.0%	4.7%	7.7%	100.0%
2022	23.8%	27.4%	2.7%	16.4%	14.4%	6.5%	8.8%	100.0%
YTD	22.5%	24.7%	3.3%	17.9%	15.4%	7.0%	9.2%	100.0%
Net flow								
Year	Bank	Central Bank	Mutual Fund	Insurance & PF	Foreign	Retail	Others	Total
Yearly								
2016	27	8	24	104	107	15	26	311
2017	78	22	18	23	170	2	13	326
2018	64	38	15	66	57	13	17	269
2019	53	56	12	57	169	8	29	384
2020	384	602	30	71	-88	50	68	1,118
2021	217	346	-3	112	-83	90	129	808
2022	92	233	-12	218	-129	123	106	630
YTD	-25	-93	35	113	84	40	41	196
Interim								
1Q	72	-27	19	53	54	1	14	187
2Q	-81	-34	8	20	31	16	4	-37
QTD	-16	-31	7	40	-1	23	23	46

Section
03



Equity

2023 Key Equity Narrative

Tracking Our Investment Thesis

Equity narrative for 2H23

2H23 was about slowing down earnings momentum, stock-picking

Merekapitulasi pandangan kami dari sisi lokal dan *global equity catalyst* dari 2H23

- 🏠 *Growth Aspect : Forward Earnings was normalizing*
- 🏠 *Valuation Aspect : Cheap Valuation, is it enough as catalysts ?*

Adapun hal lain yang menurut kami dapat memberikan insight terhadap pergerakan pasar belakangan ini :

- 🏠 *Local Aspect : JCI Price level supported despite significant outflow from foreign*

Berdasarkan perkembangan hal-hal diatas. Strategi yang kami lakukan akan berfokus pada :

- 🏠 *Thematic atau Sector Neutral Thesis (Stock Picking) dibandingkan Sector Rotation*
- 🏠 *Interest Rate Cut Beneficiary*

Sehingga, Target IHS *base case* berada di 7,200 – 7,400 untuk 2023F. Hal ini didasarkan pada 2023 *earnings growth* 5% dan P/E bergerak sedikit meningkat dari level 14.6 (posisi IHS di 6,800)

Global Indices Performance

Global market outperform others during YTD period

Global Indices Historical Performance

In % of return

No	Country	YTD	1M	3M	6M	1Y	P/E	P/BV	ROE
Global Market									
1	Dow Jones (US)	5.26%	-1.11%	5.59%	6.84%	9.75%	19.72	4.44	19.96
2	S&P 500 (US)	17.59%	-0.50%	7.36%	13.72%	13.26%	20.64	4.05	18.05
3	Nasdaq (US)	33.94%	-0.22%	7.70%	22.38%	17.98%	37.16	0.79	1.93
4	London (UK)	4.88%	-0.27%	2.99%	0.54%	4.19%	14.48	1.78	11.55
5	DAX (GR)	14.14%	-3.13%	-0.11%	3.43%	22.61%	11.51	1.40	11.19
6	CAC (FP)	13.76%	-1.35%	2.15%	1.33%	18.59%	12.80	1.82	13.64
Asia Market									
1	Nikkei (JP)	23.91%	-1.70%	3.21%	17.81%	14.68%	21.61	1.85	8.52
2	Hang Seng (HK)	-6.56%	-5.89%	-0.61%	-6.59%	-7.35%	9.30	1.03	10.78
3	Shanghai (CN)	1.55%	-2.47%	-2.70%	-4.34%	-2.79%	11.23	1.24	11.12
4	Shenzhen (CN)	-2.15%	-2.92%	-1.28%	-6.90%	-7.05%	12.29	1.51	12.32
5	NFT (IN)	6.86%	-1.59%	3.83%	11.81%	8.94%	20.07	2.90	13.97
6	Kospi (KR)	7.63%	-1.64%	-0.94%	6.15%	4.50%	14.86	0.92	6.14
ASEAN Market									
1	Singapore (SG)	-0.96%	-3.51%	1.02%	-1.30%	-0.59%	10.36	1.07	9.97
2	Kuala Lumpur (MK)	-2.91%	0.05%	3.94%	-0.15%	-3.98%	14.48	1.30	9.02
3	Thailand (TH)	-5.51%	2.16%	2.73%	-2.82%	-3.83%	17.58	1.52	8.56
4	Vietnam (VN)	20.46%	1.32%	12.53%	18.39%	-5.18%	12.09	1.74	14.38
5	Philippines (PH)	-9.67%	-5.73%	-3.31%	-3.98%	-5.90%	11.66	1.34	11.58
Indonesia Market									
1	JCI / IHSG (ID)	1.69%	1.01%	4.98%	1.80%	-2.69%	14.41	1.92	13.34
2	JII / ISSI (ID)	-1.47%	2.84%	8.20%	1.06%	2.96%	12.42	1.74	14.16
3	IDX30 (ID)	2.46%	0.34%	1.96%	1.97%	-7.91%	14.76	2.03	13.76
4	LQ45 (ID)	2.85%	0.48%	2.21%	2.22%	-5.66%	14.31	1.92	13.44

Global Peers Valuation Comparison

Indonesia valuation in-line with growth expectation

Global Indices Historical Performance

In times of earnings, times of BPS, % and YoY%

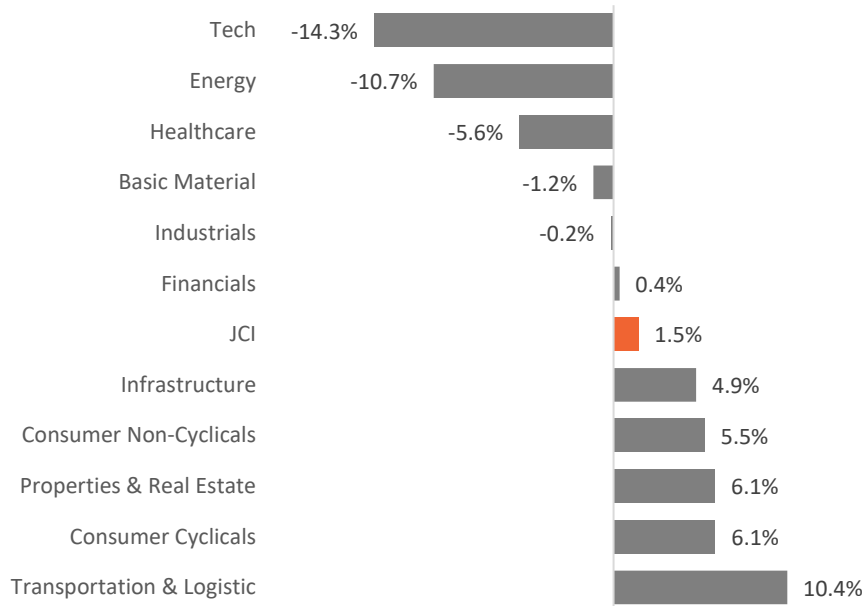
Desc.	P/E		EPS Growth		P/B		ROE		EPS Revisoin	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
MSCI SEA	13.7	12.8	24.7%	7.1%	1.5	1.4	10.8	11.2	10.9%	-8.8%
Indonesia	15.2	13.8	-5.9%	9.9%	2.2	2.0	14.7	14.8	-10.8%	9.0%
Malaysia	15.0	13.4	4.7%	12.0%	1.4	1.3	9.1	9.6	-3.0%	0.9%
Phillipines	12.2	10.9	15.9%	12.2%	1.5	1.4	12.6	12.7	25.2%	-1.7%
Singapore	11.1	11.0	54.3%	1.1%	1.3	1.2	10.9	10.9	37.0%	-23.7%
Thailand	18.8	16.5	4.7%	14.0%	1.7	1.7	8.8	10.2	1.5%	-0.5%
MSCI AxJ	14.5	11.9	5.2%	21.8%	1.5	1.3	9.9	11.0	-8.9%	15.3%
Hong Kong	13.7	11.9	16.0%	14.7%	0.9	0.9	6.9	7.4	25.0%	-18.7%
India	23.5	20.1	17.7%	16.9%	3.3	2.8	13.2	13.5	16.1%	0.7%
Korea	17.3	10.3	-42.0%	68.4%	1.1	0.9	6.2	9.2	-39.8%	79.6%
Taiwan	17.5	14.4	-31.1%	22.1%	2.3	2.1	12.8	14.3	-29.9%	34.9%
MSCI EMEA	11.6	10.4	-4.8%	12.3%	1.5	1.4	13.3	13.8	-13.2%	11.3%
South Africa	12.6	9.9	-9.8%	27.3%	1.5	1.3	11.8	13.3	-13.0%	10.2%
Turkey	7.1	5.7	7.7%	26.8%	1.6	1.3	23.6	23.2	-23.1%	37.9%
MSCI LATAM	8.8	8.3	-20.5%	5.4%	1.4	1.3	16.3	15.8	-16.1%	19.1%
Brazil	7.9	7.5	-26.4%	5.5%	1.4	1.2	17.1	16.3	-22.1%	23.1%
Mexico	11.9	11.2	7.8%	6.4%	1.7	1.6	15.0	14.6	24.8%	-3.1%
MSCI EMEA	11.6	10.4	-4.8%	12.3%	1.5	1.4	13.3	13.8	-13.2%	11.3%
MSCI World	18.0	16.4	0.4%	9.8%	2.8	2.6	14.7	15.0	1.6%	4.8%
Australia	15.6	14.9	-4.2%	5.4%	2.1	2.0	12.6	13.0	-12.2%	5.8%
Europe	12.9	12.3	-0.7%	4.7%	1.8	1.7	13.7	13.4	0.1%	6.5%
Japan	15.7	15.0	9.9%	4.9%	1.4	1.3	8.9	8.6	21.0%	-16.5%
USA	20.9	18.5	-2.1%	12.6%	4.1	3.7	17.8	18.3	2.3%	7.3%
Local Index										
JCI	14.4	12.9	NA	17.5%	1.9	1.7	13.4	13.3	-0.4%	9.3%

JCI recorded positive performance in Aug'23

Transportation sector leads the gains during Aug-23

JCI Sectoral Movement YTD

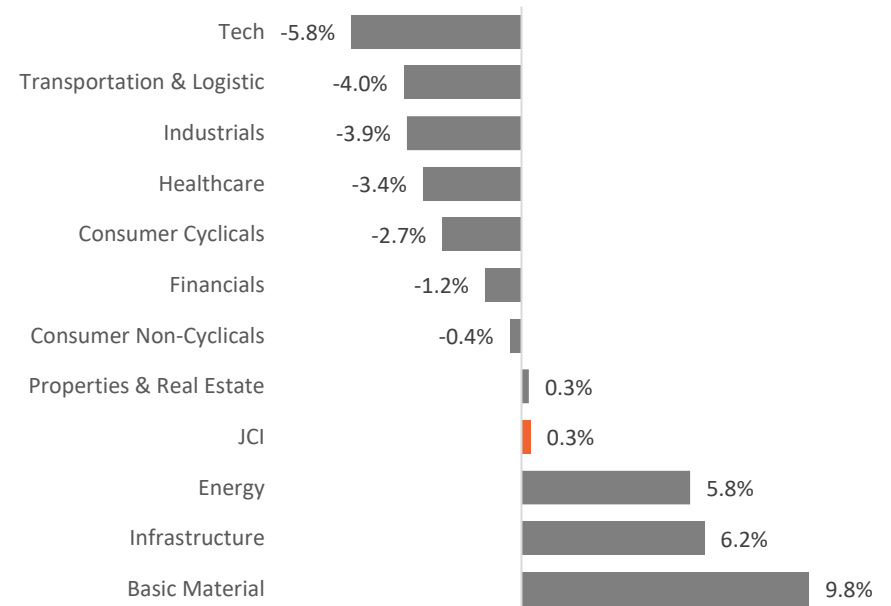
As of 31 Aug 2023



Source: Syailendra Research, Bloomberg

JCI Sectoral Movement MTD

As of 31 Aug 2023



Source: Syailendra Research, Bloomberg

- 🏠 Sepanjang YTD dan juga MTD di Aug-23, sektor teknologi mencatatkan kinerja negatif dan menekan kinerja IHSG secara umum. Hal ini disebabkan oleh ekspektasi terhadap kompetensi dalam sektor teknologi yang semakin intens seiring dengan strategi dari beberapa perusahaan teknologi untuk kembali meningkatkan promosi. Sektor energi mencatatkan kinerja positif sepanjang MTD di Aug-23 sejalan dengan kenaikan harga komoditas.

Foreign Equity Flows

Despite of Outflows in August, JCI was still supported at 6800-6900

In US\$ Million	India	Indonesia	Korea	Philippines	Taiwan	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
Jul-22	836	-150	1,363	-80	-626	128	28	1,499	1,471	4,963
Aug-22	6,791	508	3,012	-153	-4,124	1,603	460	8,098	7,638	-2,895
Sep-22	-1,624	209	-1,805	-216	-5,748	-655	-355	-10,194	-9,839	-20,995
Oct-22	1,026	730	2,129	-12	-3,031	227	-128	941	1,069	12,213
Nov-22	4,679	45	3,028	99	6,476	847	-61	15,113	15,175	9,544
Dec-22	-167	-1,344	-1,305	-109	-2,885	369	-309	-5,750	-5,441	-1,053
Jan-23	-3,660	-204	5,240	122	6,893	545	-82	8,854	8,936	2,226
Feb-23	-639	377	919	-142	1,107	-1,273	-40	309	349	-821
Mar-23	1,816	272	-689	-498	-30	-917	-301	-347	-46	-21,946
Apr-23	1,923	828	616	34	-2,553	-231	-56	562	618	34,505
May-23	5,008	109	3,114	-81	5,205	-967	-159	12,230	12,389	17,709
Jun-23	6,717	-293	-1,256	97	625	-263	-291	5,337	5,628	15,211
Jul-23	4,140	182	627	334	-2,994	-361	313	2,240	1,927	5,096
Aug-23	1,726	-1,319	-570	-131	-4,549	-443	31	-5,253	-5,285	-8,070
Yearly	India	Indonesia	Korea	Philippines	Taiwan	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
YTD	17,032	-47	8,002	-265	3,705	-3,911	-585	23,931	24,516	43,910
2022	-17,016	4,267	-9,665	-1,245	-44,007	5,960	1,096	-60,610	-61,706	2,350
2021	3,761	3,674	-23,010	-5	-15,604	-1,632	-767	-33,582	-32,815	29,827
2020	23,373	-4,320	-20,082	-2,513	-15,257	-8,287	-5,782	-32,867	-27,085	-65,727
2019	14,234	-1,306	924	-240	9,377	-1,496	-2,683	18,811	21,493	-28

Forward Earnings was normalizing

However, Market still upgrading on the back 2024F

MSCI Indonesia Earnings Overview

In %

MSCI Indonesia Index					
Periodicity A Flavor Y View Growth Currency CUR					
Measure	Actual	Y Est	Growth	Y+1 Est	Growth
1) Earnings Per Share	440.58	497.92	13.02%	547.39	9.93%
2) EPS before XO, Positive	620.14	553.43	-10.76%	585.02	5.71%
3) Cash Flow Per Share	635.62	699.36	10.03%	773.22	10.56%
4) Dividends Per Share	331.79	333.89	0.63%	320.74	-3.94%
5) Book Value Per Share	3207.97	3400.81	6.01%	3709.20	9.07%
6) Sales Per Share	3039.00	2934.88	-3.43%	3097.46	5.54%
7) EBITDA Per Share	0.00	0.00	0.00%	0.00	0.00%
8) Long Term Growth	0.00	13.53	0.00%	0.00	0.00%
9) Net Debt Per Share	-463.32	784.13	0.00%	761.79	-2.85%
10) Enterprise Value Per Share	7042.62	8290.07	17.71%	8267.73	-0.27%

Source: Syailendra Research, Bloomberg

MSCI Indonesia Earnings Growth Revision

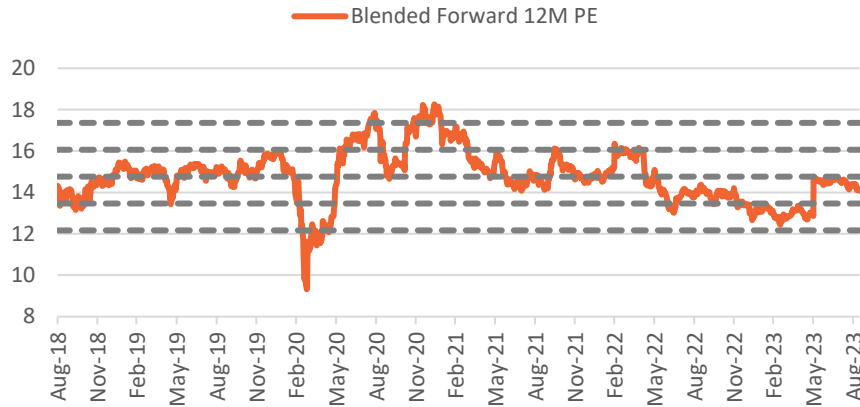
In %



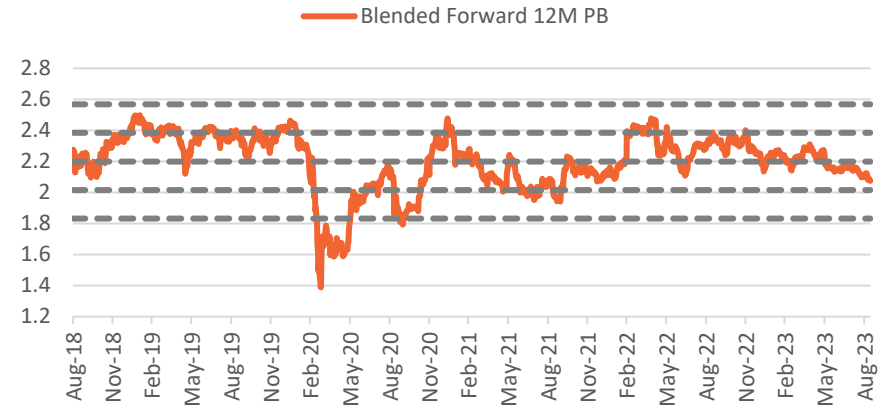
Cheap Valuation, is it enough as catalysts ?

Upgrade on Indonesia Earnings growth could help our index valuation

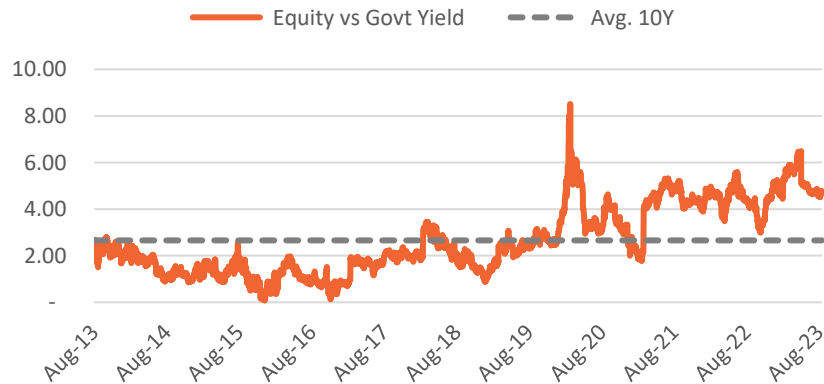
MSCI Indonesia 5Y P/E Band
In times of earnings



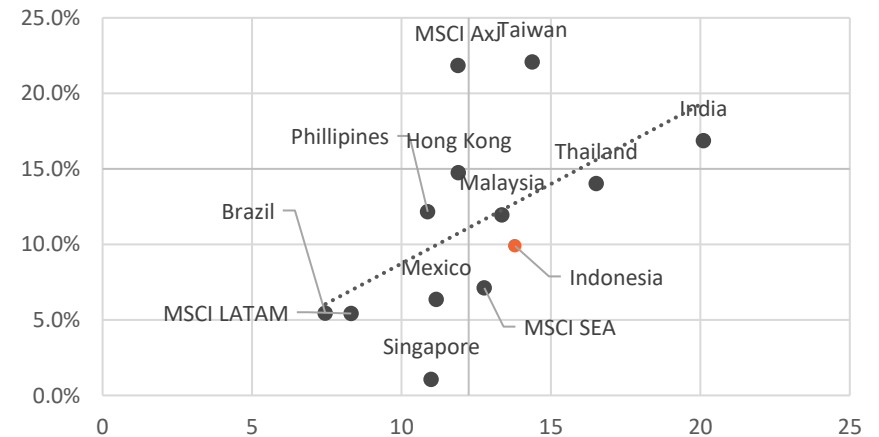
MSCI Indonesia 5Y P/B Band
In times of BPS



MSCI Indonesia Earnings & Div. already above 10Y Avg.
In %



MSCI EM Valuation vs Growth Plot
In %



Section
04



Appendix

Syailendra Benchmark View

Update on our Macro and Benchmark Number for 2023F and 2024F

Syailendra Macro Indicator and Benchmark

In each unit

Desc	Unit	Syailendra						
		2022F (Last)	23F			24F		
			Bear	Base	Bull	Bear	Base	Bull
Macro Indicator								
GDP Growth YoY	Average full year	5.40	4.40	4.80	5.00	4.80	5.00	5.20
Inflation YoY	Average full year	5.95	4.80	4.30	3.80	3.30	3.00	2.70
Fiscal Deficit (% of GDP)	End of year	-3.20	-2.70	-2.20	-1.70	-3.00	-2.70	-2.50
Current Account (% of GDP)	Average full year	0.80	-1.00	-0.60	-0.40	-1.80	-1.30	-1.00
USDIDR	End of year	15,621	15,400	15,200	15,000	15,800	15,500	15,200
Rates								
Central Bank Rates Indonesia*	End of year	5.50	6.00	5.75	5.50	5.50	4.75	4.50
10 YR Govt Bond Yield IDR	Average full year	6.97	7.25	6.50	6.25	6.75	6.00	5.75
Equities								
JCI	End of year	6,804	6,500	7,300	7,700	7,500	7,800	8,100
Earnings Growth*	End of year	32%	-5.0%	5.0%	10.0%	5.0%	7.5%	10.0%
P/E*	End of year	14.6	14.60	15.00	15.00	15.00	15.00	15.00

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