SYAILENDRA

Preferred Investment Partner

Monthly Bulletin

August 2024

What's Inside

Calendar

US NFP (6-Sept)

US CPI (11-Sept)

CH Industrial Production (14-Aug)

Events

Bank of Japan menaikkan interest rate sebesar 25bps pada 31 Juli, rate tertinggi sejak 2008. Hal ini menyebabkan impact negatif terhadap pasar modal global karena *Yen Carry Trade*. Selain itu, US unemployment rate juga lebih tinggi daripada estimasi consensus, menyebabkan *fear of recession* pada market US.

Equity Market

IHSG mencatatkan kinerja di periode 7M24 sebesar +0.28% YTD (*cutoff date*: 31 Juli 2024). Di saat bersamaan, investor asing melakukan pembelian *(inflow)* sebesar 154mio USD (MTD).

Top 3 Leaders YTD 1) TPIA, 2) AMMN, 3) BMRI dan Top 3 Laggards 1) TLKM, 2) GOTO, 3) BBRI

Fixed Income Market

Yield SUN 10 tahun di akhir Juli'24 tercatat di level 6.89 turun sedikit dari akhir Juni'24 di 7.05%. Hal ini mengakibatkan total *return* (sebelum pajak) atas indeks Indobex mencatatkan -0.1% sampai per akhir Juli'24

Kepemilikan investor asing di SUN terlihat *inflow* sebesar +256mio USD (MTD)

NEWS

By Syailendra Research Team

Section

01

Macro Updates

2024F Macro Background

Evaluating and Updating our macro view this year

Updates on Macro View So Far
Explained

- Di awal tahun, kami memiliki pandangan bahwa disinflasi akan terjadi secara gradual. Sehingga, risiko atas tingkat inflasi yang lebih tinggi dibandingkan konsensus terefleksi dalam proyeksi *cut rate* FFR di tahun 2024F sebanyak 2x. Hal ini jauh lebih rendah dibandingkan konsensus disaat itu memiliki ekspektasi 4x *cut rate.* Saat ini, pasar memiliki ekspektasi akan terjadinya rate-cut sebanyak 3x di tahun 2024.

- Berdasarkan hal diatas, untuk mendapatkan gambaran yang jelas atas *macro outlook* untuk 2024F dan 2025. Kami mencoba untuk menjawab dari masalah yang ada saat ini :

  - Aktivitas (Komponen) apa yang menyebabkan disinflasi terjadi sangat pelan ? Apakah tekanan tersebut akan stabil ketahun-tahun berikutnya.

  - Recovery ekonomi US terlihat sangat baik berdasarkan data tenaga kerja, Apakah inflasi yang tinggi ini diakibatkan oleh tenaga kerja yang terbilang masih kuat ?

- Berdasarkan analisa-analisa kami berikutnya, Kami memiliki pandangan inflasi 2024F memiliki potensi berada di level yang cukup tinggi. Hal ini diakibatkan oleh *lagging effect rental housing* yang berakhir di 2025 dimana housing mencapai 45% dari basket US CPI.

- Perkembangan terakhir dipasar terkait data pekerjaan dan *unemployment* menguatkan akan terjadinya *rate-cut* di 2024F. Namun, kami melihat probabilitas tertinggi akan terjadi 1-2x rate cut untuk tahun ini. Kami lihat penurunan *rate-cut* masih akan lebih banyak terjadi di 2025F.

Latest Market Expectation on Rate Cut

Market adjusting to recent US economic development and geopolitical issue

FFR Implied Rates Going Forward (as of Jul 2024)

Table of probabilities

	400-425	425-450	450-475	475-500	500-525	525-550	Notes
Jul-24	0.0%	0.0%	0.0%	0.0%	4.1%	95.9%	
Sep-24	0.0%	0.0%	0.0%	10.6%	89.4%	0.0%	Hgh chance 1x rate cut
Nov-24	0.0%	0.0%	0.0%	70.6%	29.4%	0.0%	High chance another 1x rate cut or normal chance another 2x rate cut.
Dec-24	0.0%	0.0%	63.7%	36.3%	0.0%	0.0%	
Jan-25	0.0%	35.6%	64.4%	0.0%	0.0%	0.0%	High chance another 1x rate cut or normal chance another 2x rate cut.
Mar-25	16.7%	83.3%	0.0%	0.0%	0.0%	0.0%	
Apr-25	74.6%	25.4%	0.0%	0.0%	0.0%	0.0%	
Jun-25	100.0 %	0.0%	0.0%	0.0%	0.0%	0.0%	2H24 expect to had cumulative rate-cut 5x
Jul-25	100.0 %	0.0%	0.0%	0.0%	0.0%	0.0%	

FFR Interest Rate Probability at Dec'24 Meeting

In %

FFR Rate **5.25-5.50**

Interest Rate Probability for Meeting 18-Dec-24

61% 2x rate cut until Dec'24

Trading Days	Cumulative Probabilities 4.25-4.50	4.50-4.75	4.75-5.00	5.00-5.25	5.25-5.50	5.50-5.75
29/12/2023	97%	100%	100%	100%	0%	0%
31/01/2024	92%	99%	100%	100%	0%	0%
29/02/2024	13%	42%	74%	94%	99%	100%
28/03/2024	7%	31%	66%	91%	99%	100%
30/04/2024	0%	1%	7%	31%	73%	100%
31/05/2024	1%	12%	45%	85%	100%	0%
28/06/2024	1%	20%	63%	94%	100%	0%
30/7/2024	0%	7%	61%	97%	100%	0%

Source: Bloomberg, Syailendra Research

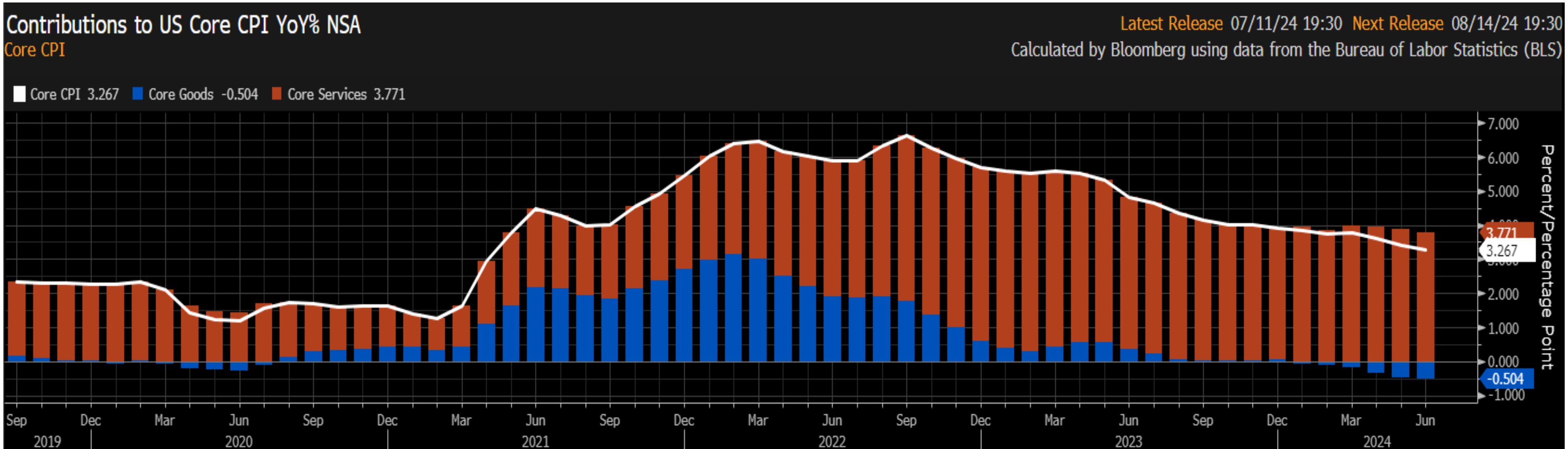
- Dalam 1 bulan terakhir, ekspektasi investor atas rate cut kembali ke 2x sepanjang bulan Jun'24. Jun'24 FOMC Median Dots berada di level 5.125% vs current FFR 5.25-5.50%, Hal ini mengindikasikan 1x rate-cut.

Latest Take on US Core CPI

Shelter inflation still continue to drop inline with our lagging effect thesis

US Core CPI YoY Breakdown

In % YoY



Data Table | Show Weights | Show Heat Map | Show Tickers | Show More | Hide Table

Series	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Weight
Core CPI	5.590	5.519	5.330	4.829	4.653	4.349	4.147	4.031	4.007	3.930	3.862	3.753	3.801	3.610	3.419	3.267	100.000
Core Services	5.163	4.960	4.764	4.460	4.436	4.276	4.133	3.999	3.993	3.883	3.943	3.848	3.993	3.966	3.901	3.771	73.231
Shelter	3.411	3.385	3.366	3.279	3.234	3.065	3.031	2.865	2.792	2.661	2.622	2.504	2.477	2.435	2.384	2.283	43.601
Medical Care Services	0.094	0.040	-0.003	-0.062	-0.129	-0.184	-0.228	-0.167	-0.074	-0.041	0.053	0.089	0.177	0.217	0.249	0.267	8.006
Transportation Services	0.988	0.800	0.742	0.602	0.656	0.746	0.655	0.668	0.729	0.699	0.692	0.734	0.804	0.845	0.798	0.715	7.429
Education And Communicati...	0.219	0.209	0.186	0.159	0.180	0.167	0.158	0.147	0.086	0.079	0.079	0.095	0.090	0.100	0.123	0.139	6.019
Recreation Services	0.236	0.253	0.228	0.232	0.243	0.238	0.250	0.222	0.186	0.220	0.208	0.178	0.179	0.164	0.156	0.134	3.906
Other Personal Services	0.093	0.113	0.119	0.115	0.106	0.114	0.121	0.119	0.111	0.115	0.124	0.092	0.098	0.091	0.075	0.089	1.829
Water, Sewer and Trash Col...	0.074	0.074	0.078	0.077	0.078	0.078	0.070	0.071	0.071	0.069	0.074	0.071	0.071	0.071	0.064	0.062	1.332
Household Operations																	
Core Goods	0.426	0.559	0.565	0.369	0.216	0.073	0.013	0.032	0.015	0.047	-0.081	-0.096	-0.192	-0.356	-0.482	-0.504	26.769

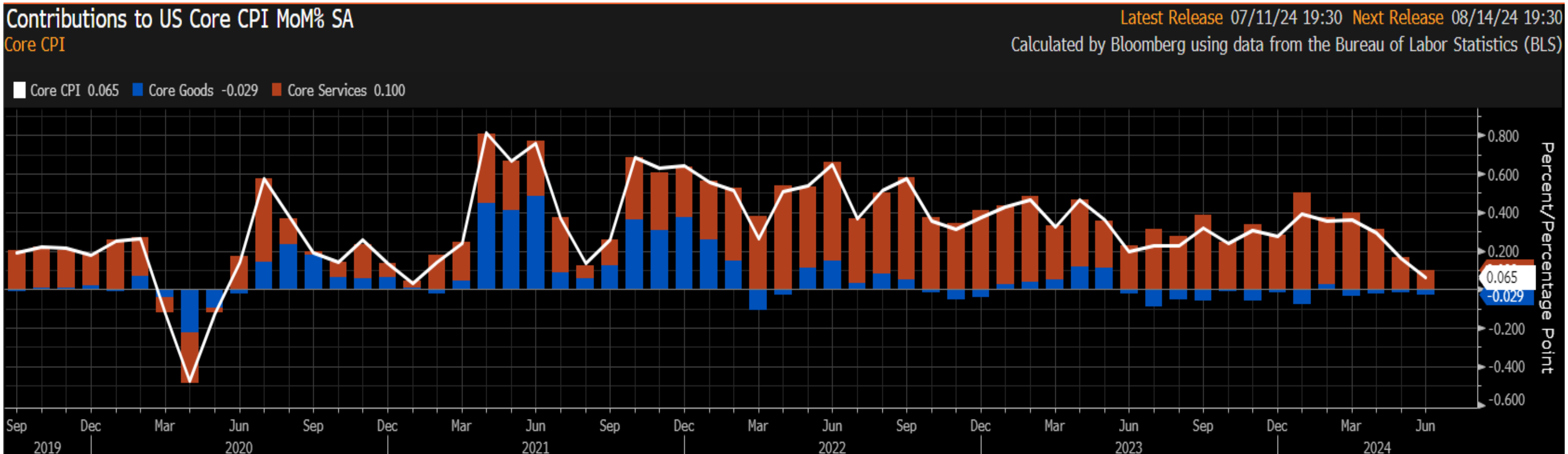
SYAILENDRA *Source: Bloomberg, Syailendra Research*

Latest Take on US Core CPI (2)

The disinflation much clearer looking at monthly inflation

US Core CPI MoM Breakdown

In % YoY



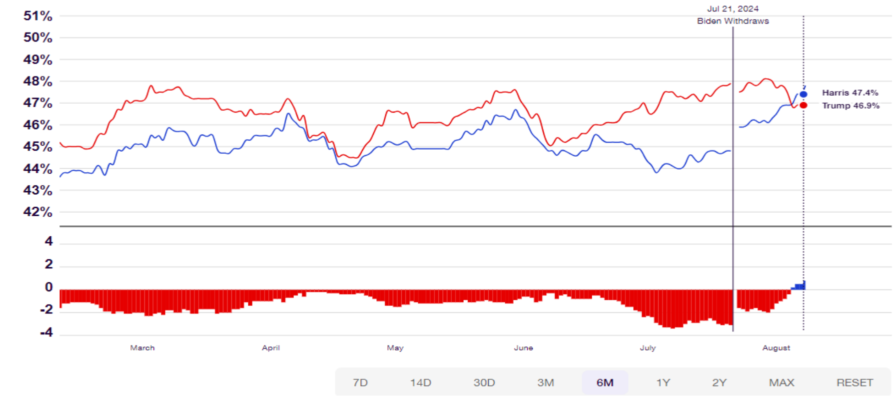
Data Table — Show Weights | Show Heat Map | Show Tickers | Show More | Hide Table

Series	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Weight
Core CPI	0.325	0.468	0.361	0.195	0.227	0.230	0.319	0.240	0.308	0.275	0.392	0.358	0.359	0.292	0.163	0.065	100.000
Core Services	0.278	0.348	0.245	0.226	0.312	0.277	0.384	0.247	0.338	0.284	0.505	0.349	0.401	0.316	0.168	0.100	76.687
Shelter	0.228	0.210	0.234	0.180	0.209	0.153	0.249	0.149	0.196	0.179	0.288	0.194	0.189	0.172	0.183	0.077	45.522
Transportation Services	0.065	0.038	0.020	0.033	0.061	0.120	0.054	0.067	0.078	0.007	0.076	0.110	0.122	0.070	-0.041	-0.045	8.204
Medical Care Services	-0.042	-0.005	-0.004	-0.004	-0.025	-0.003	0.020	0.016	0.040	0.040	0.057	-0.004	0.045	0.036	0.028	0.014	8.160
Education And Communicati...	0.016	0.004	-0.007	-0.016	0.015	0.006	0.004	0.001	0.006	0.010	0.026	0.029	0.012	0.014	0.016	0.000	6.259
Recreation Services	0.000	0.029	-0.001	0.016	0.028	-0.004	0.020	0.004	0.002	0.045	0.016	0.019	0.003	0.014	-0.009	-0.005	4.060
Other Personal Services	0.008	0.027	0.009	0.004	-0.001	0.013	0.012	0.005	0.005	0.002	0.018	-0.012	0.014	0.020	-0.006	0.018	1.907
Water, Sewer and Trash Col...	0.004	0.005	0.008	0.005	0.007	0.006	0.004	0.003	0.005	0.002	0.015	0.006	0.004	0.005	0.001	0.003	1.364
Household Operations			-0.013	0.009	0.020	-0.013							0.010	-0.015			
Core Goods	0.053	0.118	0.111	-0.023	-0.088	-0.055	-0.062	-0.007	-0.058	-0.017	-0.076	0.027	-0.036	-0.025	-0.010	-0.029	23.313

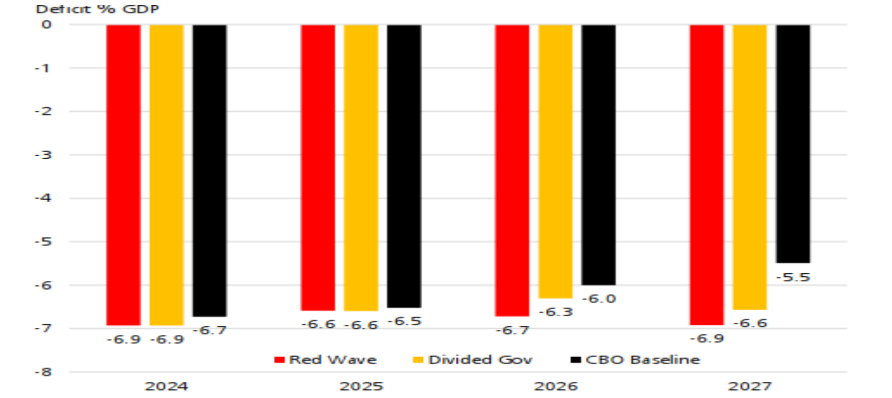
Our Take on US Election

Both candidate will increase US Fiscal Deficit vis a vis Weaken US Dollar

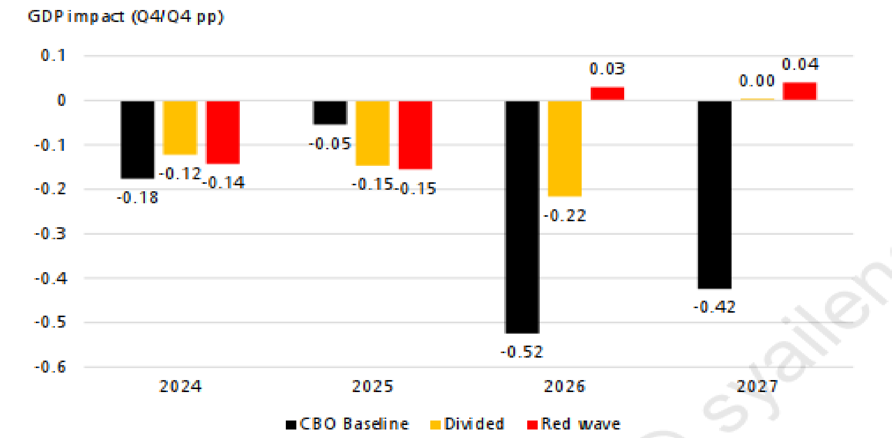
Trump and Kamala Harris is Neck to Neck
Average of poll data



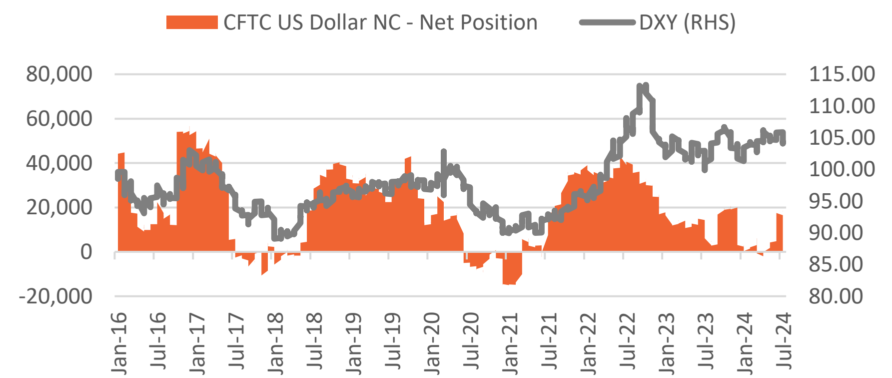
Red Wave or Divided still resulting on Higher Fiscal Deficit
in % of fiscal deficits



Growth Trade from Trump won't be fast
In GDP impact



DXY expected to be weaken in response of fiscal deficit
In net position of US Dollar and DXY

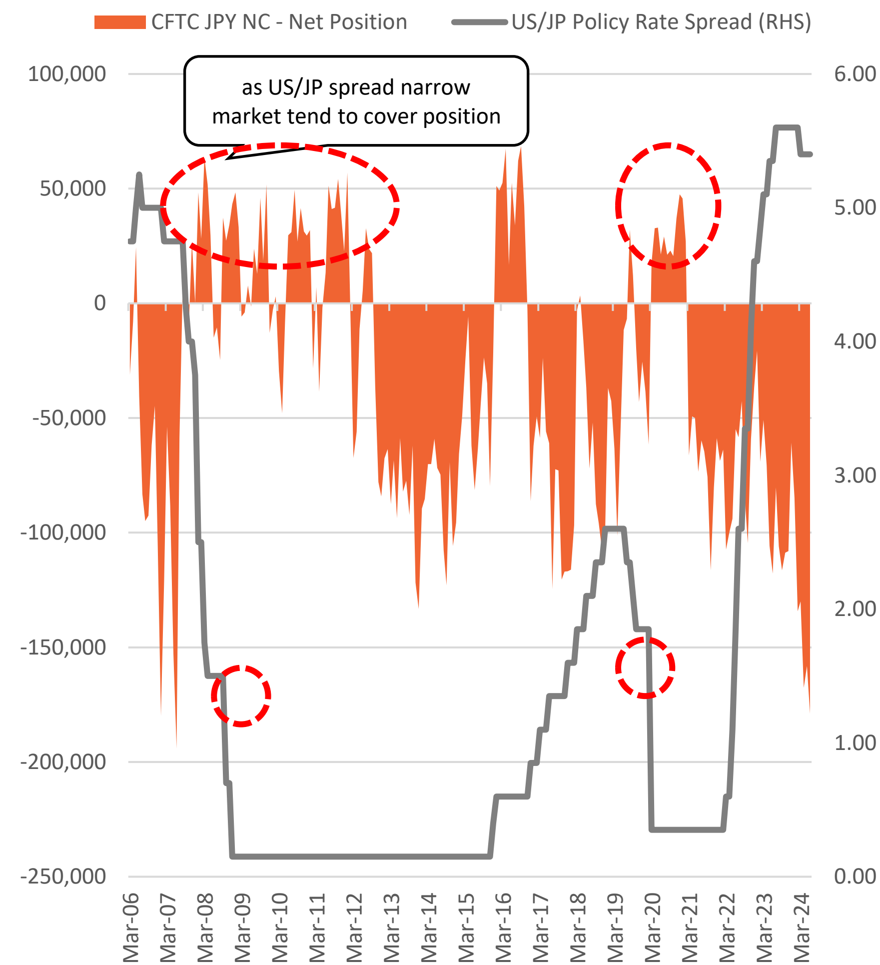


New Regime Shift on Japan Macro

BOJ expected to increase its rate gradually looking at its inflation

BOJ increase its policy rate to positive level
In % yoy, interest rate

50% of short already covering its position
In net contract position, US/JP policy spread



Source: RealClearPolitics, CBO, UBS

Section

02

Fixed Income

2024F Fixed Income Narrative

Update on Our View

Updates on Our View this month
Explained

- Terdapat beberapa hal yang menjadi pertanyaan besar dalam menjawab tingkat *yield* yang fair mempertimbangkan kondisi makro saat ini :
  - Seberapa besar premium yang dianggap fair mempertimbangkan pertambahan *volatility* yang muncul dari *currency risk* ?
  - Persepsi *foreign investor* atas kemampuan *govt* untuk melakukan *funding* atas program-program kedepan mengakibatkan terjadinya *outflow* sepanjang 2024. Namun, bagaimana situasi *funding gap* untuk tahun 2024 ?
- Kami juga melihat reaksi pasar di SUN telah *priced-in* adanya *rate-cut* 1x untuk tahun 2024. Namun, volatilitas di IDR menurut kami akan masih tinggi untuk tahun 2024.
- Berdasarkan pertimbangan makro sebelumnya, kami melihat tingkat yield 2024F akan sedikit *elevated,* namun kami optimis karena *rate-cut thesis terlihat intact* memasuki tahun 2025F.

INDOGB Peers Comparison

INDOGB hasn't move much in the past 1 months both on nominal and real

EM Peers Yield Comparison
In %

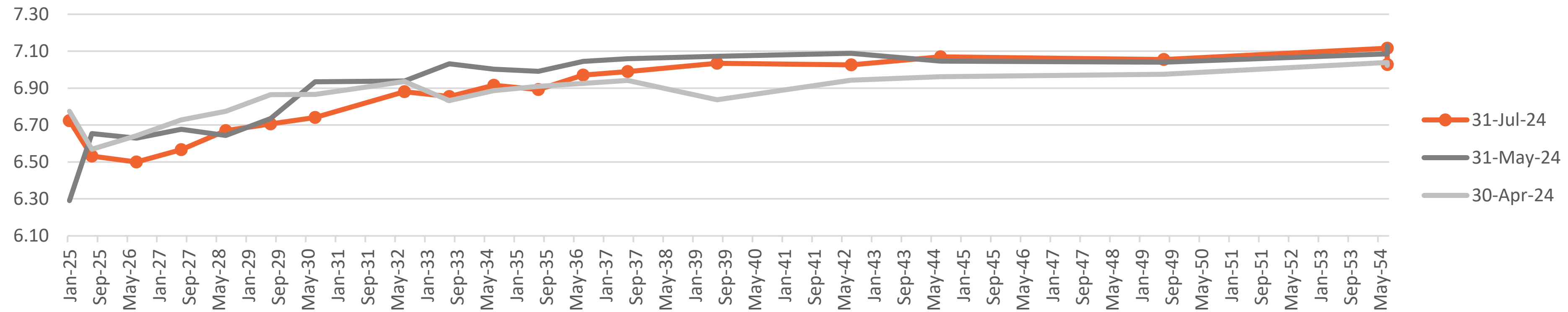
Country	10Y Yield (%)		Spread to US 10Y			Inflation	Real Yield (%)	CAD	Fiscal Deficit	Credit Rating
	Current	YTD Chg. (bps)	2023	Current	Chg.	2024F	2024F Inflation	2024F	2024F	
Brazil	11.91	154	6.49	7.91	1.42	4.10	7.81	-1.70	-7.30	BB-
South Africa	10.89	-48	7.49	6.89	-0.60	4.90	5.99	-1.90	-4.95	BB
India	6.88	-31	3.31	2.88	-0.43	4.80	2.08	-0.80	-5.80	BBB-u
Italy	3.70	1	-0.19	-0.30	-0.11	2.40	1.30	1.55	0.30	BBBu
Portugal	2.91	28	-1.25	-1.09	0.16	2.40	0.51	1.55	0.30	BBB+u
Mexico	9.64	70	5.06	5.64	0.58	4.50	5.14	-0.50	-5.05	BBB+
Romania	6.51	28	2.35	2.51	0.16	5.55	0.96	-6.70	-5.80	BBB-
Hungary	6.36	49	1.99	2.36	0.37	4.00	2.36	0.70	-5.00	BBB-
Colombia	10.55	59	6.08	6.55	0.47	6.70	3.85	-3.00	-5.45	BBB-
Indonesia	6.77	32	2.57	2.77	0.20	2.90	3.87	-0.70	-2.45	BBB
Average Peers in BBB & BB*			-3.88	**3.61**			**4.79**			
Spain	3.13	15	-0.90	-0.87	0.03	3.10	0.03	2.60	-3.10	Au
South Korea	3.01	-17	-0.71	-0.99	-0.29	2.50	0.51	3.50	-1.90	AA
China	2.16	-40	-1.32	-1.84	-0.52	0.55	1.61	1.30	-4.80	A+
Chile	5.80	32	1.60	1.80	0.21	3.89	1.91	-3.20	-2.25	A+
Thailand	2.59	-9	-1.20	-1.41	-0.21	0.80	1.79	2.00	-3.60	A-
Malaysia	3.76	3	-0.15	-0.24	-0.09	2.50	1.26	2.50	-4.40	A
Poland	5.28	9	1.31	1.28	-0.03	3.70	1.58	0.75	-5.30	A
Average Peers in A Credit			-3.88	**-0.32**			**1.24**			
United States	4.00	12				4.10	-0.10	-3.1	-7.9	AA+u

Source: Bloomberg, Syailendra Research

INDOGB Begin to Shift-Down Anticipate Rate-Cut

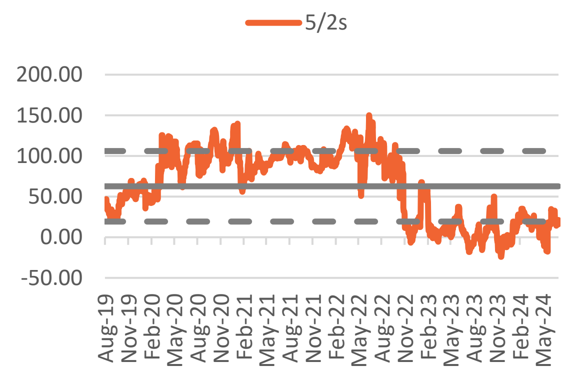
Swing back and forth between shift-up and shift-down

INDOGB Yield Curve
In ppt



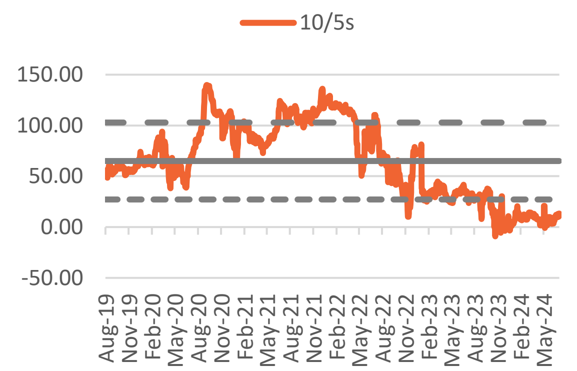
Source: Bloomberg, Syailendra Research

5/2s Historical Spread
In bps



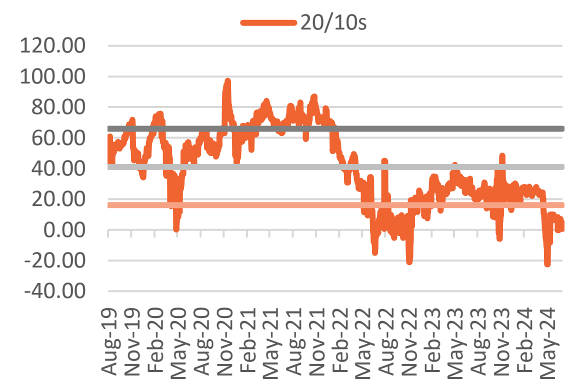
Source: Bloomberg, Syailendra Research

10/5s Historical Spread
In bps



Source: Bloomberg, Syailendra Research

20/10s Historical Spread
In bps

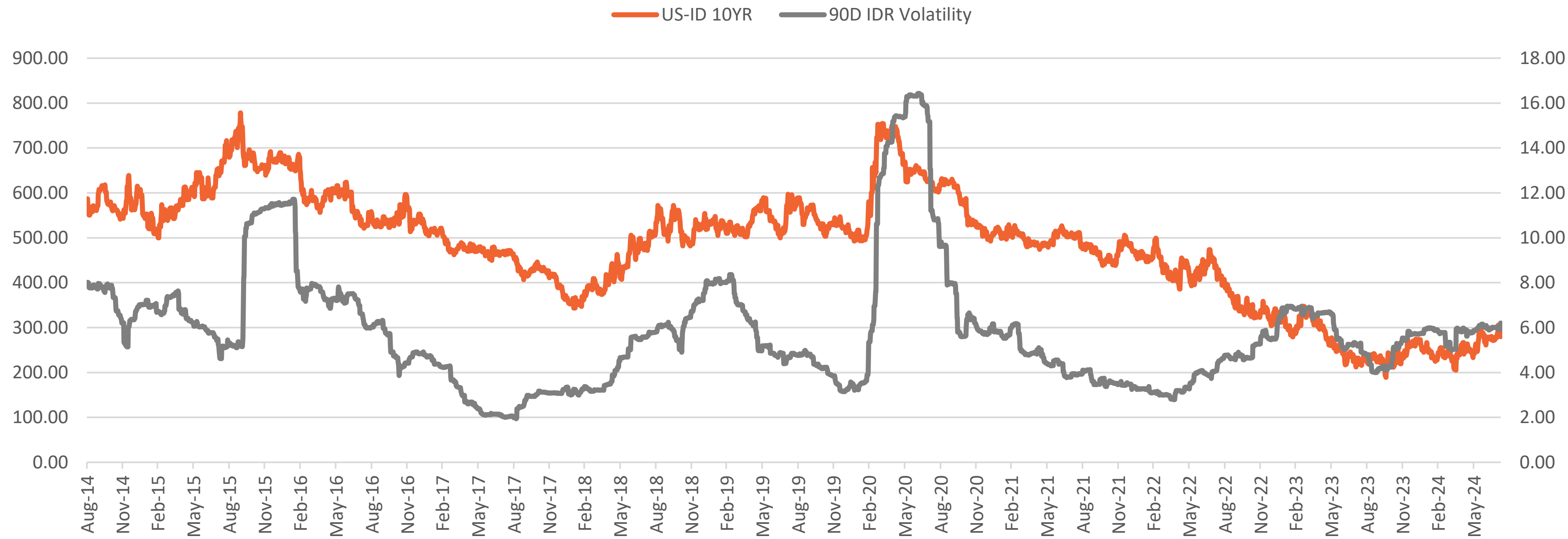


Source: Bloomberg, Syailendra Research

Potential Higher Risk Premium due FX Volatility

IDR Volatility still on higher side, investor might demand higher premium

US Indo Carry Spread Tend to Follow its FX Volatility
In bps and % of annual vol



Source: Bloomberg, Syailendra Research

- Umumnya US Indo *carry spread* dapat dijelaskan oleh pergerakan atas volatilitas pasangan *currency* tersebut. Hanya di tahun 2022 terjadi *divergence* antara kedua hal tersebut. Karena, volatilitas IDR dalam beberapa bulan belakang meningkat kami melihat terdapat kemungkinan US Indo *carry spread* mengalami peningkatan. Saat ini US *Indo* carry spread berada di level 280bps

Updates on Government Bond Auction

Latest reward intact with remaining issuance but ratio creeping-up

Remaining Auction Size Still Reasonable

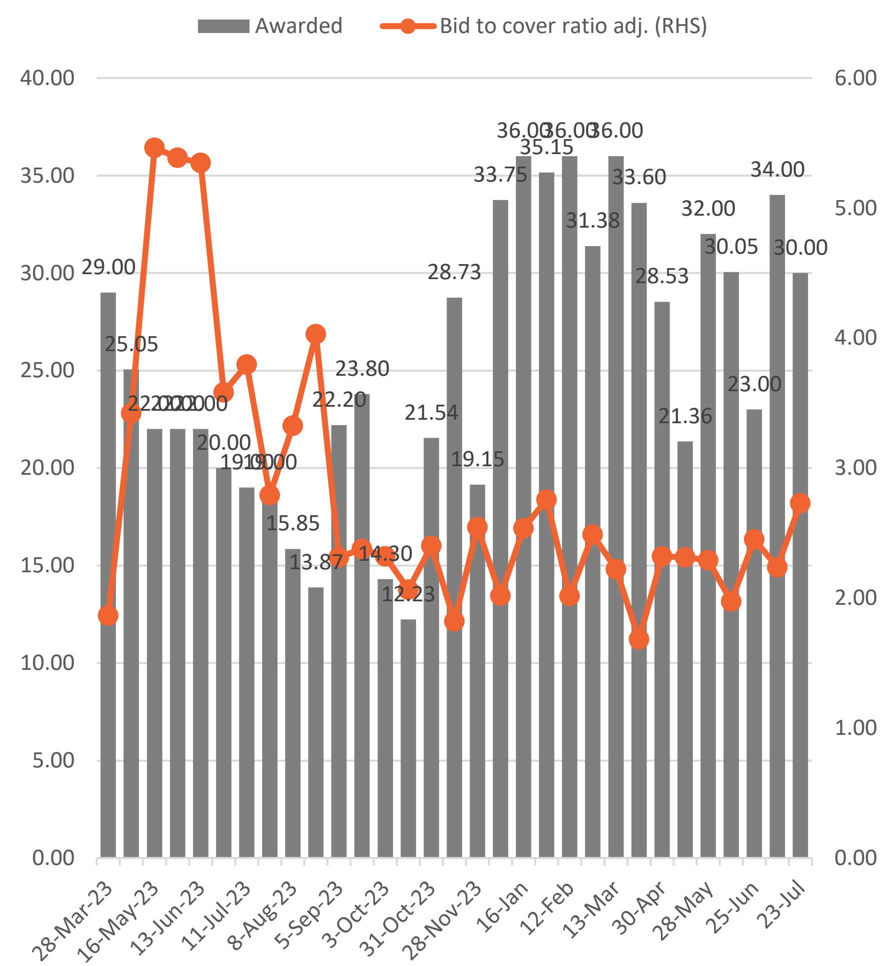
In IDR trn

Government Securities	Govt Bond Issuance Realization YTD (6-Aug-24)	Calculation Forecast 2024	Remaining Issuance Target
Fiscal Deficit (% GDP)			
Budget Deficit		-570.74	
% of GDP		**-2.50**	
Nominal GDP		22,829.69	
Component of Deficit Fin.			
Deficit Financing		570.74	
Debt Financing			
Government bonds - nett		447.34	
Loan program - nett		43.40	
Investment Financing		-153.40	
Loan Financing		4.00	
Liability Financing		-0.30	
Others		229.70	
Gross Bond Supply			
Government bonds - nett		447.34	
SUN Maturity in 1Y		604.80	
Gross Bond Supply		**1,052.14**	
Issuance Bonds			
Gross Bond Supply	541.35	1,052.14	381.71
Gross Local Currency Bonds	488.91		
Prefunding	39.07		
Auction Program	384.92	738.78	290.51
Retail Bonds	64.92	157.84	73.48
Private Placement		27.89	27.89
Gross Foreign Currency Bonds	52.27	127.63	36.94
Avg. Per 2 weeks auction	**33.47**		**30.58**

Source : Syailendra Research, DJPR

Bid-Awarded Ratio bounce back

In trn and time of bid size



Indonesia Bonds Ownership

Trend continue bank selling its treasury for fulfilling its liquidity management

Ownership on Tradeable Indonesia Government Bonds

In IDR Trn

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%
2023	21.8%	24.2%	3.2%	18.5%	14.9%	7.7%	9.8%	100.0%
YTD	20.5%	24.3%	3.1%	19.1%	14.0%	8.7%	10.3%	100.0%

Net flow

Year	Bank	Central Bank	Mutual Fund	Insurance & PF	Foreign	Retail	Others	Total
Yearly								
2016	49	-15	24	104	107	15	26	311
2017	92	8	18	23	170	2	13	326
2018	-10	112	15	66	57	13	17	269
2019	100	9	12	57	169	8	29	384
2020	794	192	30	71	-88	50	68	1,118
2021	216	347	-3	112	-83	90	129	808
2022	106	219	-12	218	-129	123	106	630
2023	-202	75	32	168	80	91	85	330
YTD	-215	243	1	62	-34	63	42	163
Interim								
1Q	-81	123	1	20	-31	19	21	71
2Q	-133	120	1	42	-3	44	21	92
3Q	-90	73	2	5	5	8	5	6
Jul	-90	73	2	5	5	8	5	6

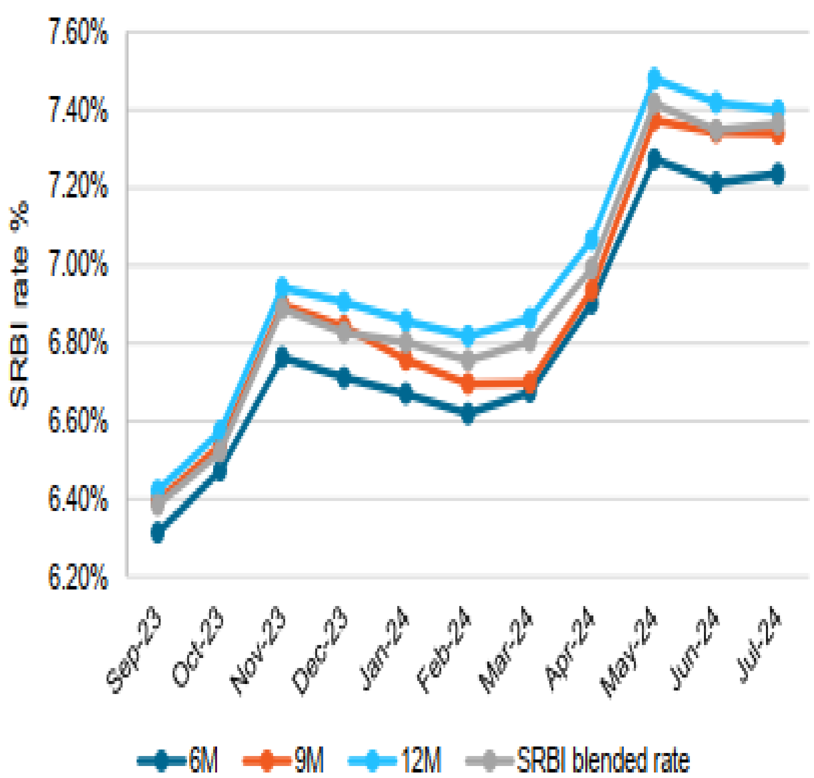
Source : Syailendra Research, DJPPR

SRBI Issuance Turning a Corner

Both rewarded assets and yield continue to record lower

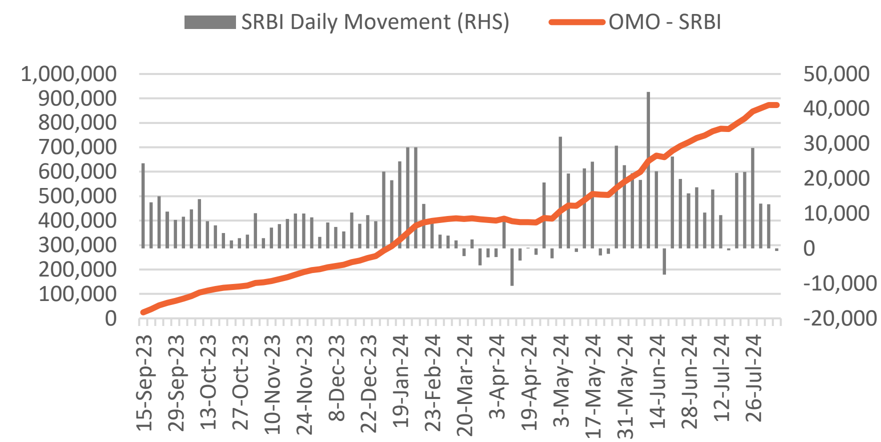
SRBI Awarded Rate

In % yield



SRBI Outstanding and Daily Movement – Net

In trn IDR



SRBI Outstanding and Ownership

In trn IDR

OS (Trn IDR)	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Bank	189.3	264.5	297.0	311.7	320.4	384.6	461.3	537.7
Resident	0.2	0.2	0.2	1.0	2.0	7.0	41.4	63.8
Non-Resident	62.2	83.7	87.7	82.4	75.2	152.2	192.5	236.0
Others	2.8	1.6	14.5	9.9	13.2	14.5	25.9	22.8
	254.5	350.0	399.4	405.0	410.7	558.2	721.1	860.3

Net Monthly	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Bank	30.1	75.2	32.5	14.7	8.7	64.2	76.7	76.4
Resident	0.0	0.0	0.0	0.8	1.0	5.0	34.4	22.5
Non-Resident	24.9	21.6	4.0	-5.3	-7.2	77.0	40.3	43.5
Others	1.8	-1.2	13.0	-4.6	3.3	1.3	11.4	-3.1
	56.8	95.6	49.4	5.6	5.8	147.5	162.8	139.2

Source : Bank Indonesia, Syailendra Research

Section

03

Equity

2024F Equity Narrative

Update on Our View

Updates on Our View this month
Explained

- Di 2Q24, kami melakukan revisi *downward* untuk earnings yang mengakibatkan kami perlu melakukan penurunan target IHSG di level 7,300. Berdasarkan hasil 2Q24 earnings result kami melihat level 7,300 masih level yang konservatif sebagai target akhir tahun 2024 mempertimbangkan *earnings* JCI (*core*) berkisar 3% yoy.

- Pertimbangan kami sebelumnya melihat sentimen *higher for longer* mungkin masih ada sepanjang 2024. Sejalan dengan perubahan persepsi. Kami melihat potensi untuk EM termasuk Indonesia lebih atraktif oleh global investor. Namun kami melihat seharusnya investor cukup optimis melihat kinerja laba memasuki tahun 2025.

- Dari sisi strategi pengelolaan kami masih pentingnya kapasitas portfolio untuk fleksibel dimana dua fokus strategi : 1) *Bottom-up/Stock Picking Strategy*, 2) *Interest Rate Cut Play along with end of rate cycle.*

- Weighting yang semakin besar dari saham-saham yang secara free float tipis, namun mengalami kenaikan yang signifikan, menarik likuiditas investor, baik local, terutama retail, maupun global, terutama passive funds, yang membuat kinerja IHSG ter-distorsi dan resiko volatilitas pasar meningkat.

- Posisi investor *global* yang cenderung masih *underweight* di *asset class equity* secara *global* khususnya di *emerging* market. Hal ini mengakibatkan *upswing* yang cukup cepat disaat *cut-rates* menjad lebih jelas. Konsensus saat ini memiliki ekspektasi pelonggaran terjadi di 2H24F sebanyak 1-2x *rate-cut*.

Global Indices Performance

It had been good quarter for equity overall

Global Indices Historical Performance
In % of return

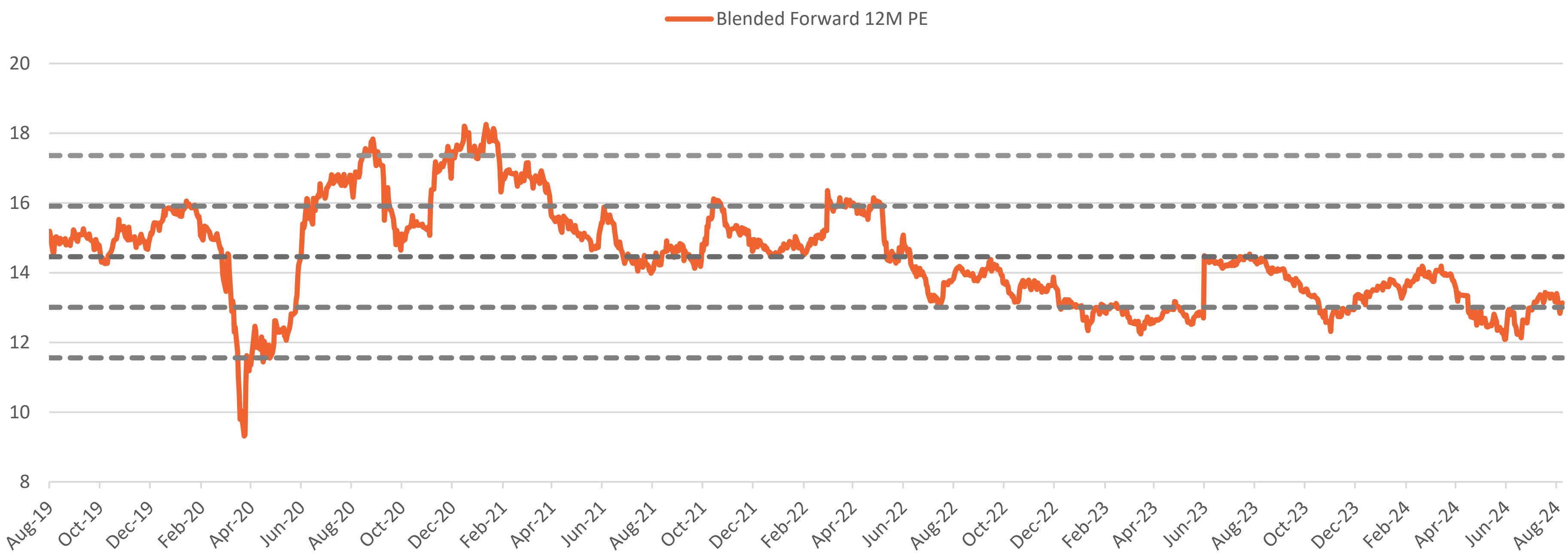
No	Country	YTD	1M	3M	6M	1Y	P/E	P/BV	ROE
Global Market									
1	Dow Jones (US)	8.37%	8.37%	4.41%	8.00%	7.06%	14.86	20.10	4.68
2	S&P 500 (US)	15.78%	15.78%	1.13%	9.66%	13.96%	20.34	21.98	4.44
3	Nasdaq (US)	17.24%	17.24%	-0.75%	12.40%	16.06%	22.68	37.27	5.79
4	London (UK)	10.27%	10.27%	5.65%	6.43%	9.94%	12.04	13.43	1.89
5	DAX (GR)	10.49%	10.49%	1.50%	3.21%	9.49%	12.54	13.28	1.58
6	CAC (FP)	-0.15%	-0.15%	0.70%	-5.68%	-1.64%	0.45	13.03	1.97
Asia Market									
1	Nikkei (JP)	16.85%	16.85%	-1.22%	1.81%	7.76%	17.88	28.12	2.07
2	Hang Seng (HK)	1.74%	1.74%	-2.11%	-2.36%	12.01%	-13.62	10.24	1.13
3	Shanghai (CN)	-1.22%	-1.22%	-0.97%	-5.35%	5.39%	-10.70	14.67	1.42
4	Shenzhen (CN)	0.32%	0.32%	-0.57%	-4.50%	7.05%	-14.26	14.36	1.73
5	NFT (IN)	14.82%	14.82%	3.92%	10.38%	14.85%	26.31	24.00	3.57
6	Kospi (KR)	4.35%	4.35%	-0.97%	2.92%	10.96%	5.25	14.46	1.04
ASEAN Market									
1	Singapore (SG)	6.66%	6.66%	3.69%	4.96%	9.61%	2.43	12.56	1.14
2	Kuala Lumpur (MK)	11.75%	11.75%	2.23%	3.15%	7.44%	11.38	16.04	1.37
3	Thailand (TH)	-6.71%	-6.71%	1.53%	-3.44%	-3.20%	-15.12	18.92	1.53
4	Vietnam (VN)	10.76%	10.76%	0.50%	3.47%	7.49%	2.34	15.82	1.84
5	Philipines (PH)	2.62%	2.62%	3.23%	-1.21%	-0.41%	0.42	14.17	1.62
Indonesia Market									
1	JCI / IHSG (ID)	-0.23%	-0.23%	2.72%	0.30%	0.66%	4.68	14.81	1.95
2	JII / ISSI (ID)	2.57%	2.57%	4.22%	3.25%	3.13%	3.68	12.94	1.81
3	IDX30 (ID)	-8.17%	-8.17%	2.66%	-3.37%	-8.07%	-9.37	15.23	2.21
4	LQ45 (ID)	-5.86%	-5.86%	2.93%	-1.40%	-6.21%	-5.38	15.12	2.15

Source: Syailendra Research, Bloomberg

Is Current Valuation already Cheap Enough ?

Index performance has been dragged by valuation due external sentiment

MSCI Indonesia Blended Forward 12M P/E ratio
In times of blended forward earnings



Source : Syailendra Research, Bloomberg

- Terlihat rasio P/E IHSG BF12M terkonsolidasi di level 13-14x. Hal ini terlihat murah membandingkan historis valuasi IHSG dalam 5 tahun kebelakang. Hal yang sama terjadi untuk *peers* di *region Asean*. Kami melihat *de-rating* valuasi juga dipengaruhi oleh tingginya tingkat suku bunga US.

1H24 Earnings Result

Not much improvement still dragged by UNVR, Auto and Telco

1H24 Aggregate Earnings EBIT and NPAT

In % YoY

Sectors	EBIT				PATMI			
	Actual Data		Consensus		Actual Data		Consensus	
	1H24 (Rp bn)	YoY	1H24/FY Realization	2H24F YoY	1H24 (Rp bn)	YoY	1H24/FY Realization	2H24F YoY
Banking	n.a.	n.a.	n.a.	n.a.	87,448	4.9%	48.1%	5.5%
Building Materials	2,699	-25.6%	32.7%	20.0%	1,745	-26.4%	30.8%	15.3%
Infrastructures	5,802	54.5%	43.6%	13.0%	367	-145.7%	10.9%	-33.3%
Consumer staples	33,920	-7.3%	47.7%	11.3%	19,034	-23.6%	41.0%	65.2%
Hospital	2,339	34.9%	50.8%	9.1%	1,258	8.5%	43.2%	17.5%
Automotive	21,610	-8.4%	54.3%	-19.0%	17,107	-8.0%	52.4%	-12.3%
Consumer discretionary	5,984	1.3%	48.0%	16.0%	4,776	14.0%	55.8%	5.0%
Mining	23,685	-25.3%	54.3%	-23.7%	17,596	-25.7%	54.7%	-6.5%
Property	3,774	16.4%	51.0%	1.8%	2,689	3.2%	48.4%	10.6%
Telco	31,606	3.5%	47.1%	12.2%	16,291	-0.5%	46.1%	17.4%
Oil and Gas	2,929	-8.3%	38.9%	24.9%	2,547	4.8%	46.3%	3.8%
Transportation	271	-8.1%	46.0%	29.8%	263	1.4%	48.9%	41.9%
Poultry	5,911	109.0%	70.1%	-32.9%	3,540	166.1%	71.9%	-30.2%
Internet	(1,942)	-70.4%	41.6%	-39.8%	(3,451)	-54.4%	98.0%	-99.9%
Total	**138,588**	**-1.3%**	**49.6%**	**1.2%**	**171,209**	**-1.0%**	**47.3%**	**107.6%**
Total ex-banks	**138,588**	**-1.3%**	**49.6%**	**1.2%**	**83,761**	**-6.4%**	**46.5%**	**3775.7%**
Total ex-tech	**140,530**	**-4.4%**	**49.5%**	**-0.1%**	**174,660**	**-3.2%**	**47.8%**	**8.3%**
Total ex-banks, ex-tech	**140,530**	**-4.4%**	**49.5%**	**-0.1%**	**87,212**	**-10.2%**	**47.5%**	**11.3%**
Total ex-commodity	**111,974**	**6.1%**	**49.1%**	**6.3%**	**151,066**	**2.9%**	**46.6%**	**135.9%**
Total ex-commodity, ex-tech	**113,916**	**1.6%**	**48.9%**	**4.5%**	**154,518**	**0.1%**	**47.2%**	**9.9%**

Source : Mandiri Sekuritas

Foreign Equity Flows

Other than taiwan most of ASEAN had foreign inflows

Monthly Data	India	Indonesia	Korea	Philippines	Taiwan	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
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	7,241	545	-82	9,202	9,284	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
Sep-23	-2,273	-263	-1,694	-464	-5,885	-616	143	-11,051	-11,195	-32,771
Oct-23	-2,657	-511	-2,497	-171	-4,957	-431	-461	-11,684	-11,223	19,545
Nov-23	2,301	-30	3,257	19	8,361	-548	332	13,692	13,359	6,601
Dec-23	7,024	497	3,637	18	5,361	-2	56	16,591	16,535	-8,192
Jan-24	-3,141	534	2,254	80	1,433	-870	145	435	290	17,148
Feb-24	483	646	6,120	129	3,390	82	277	11,125	10,849	7,415
Mar-24	4,016	506	3,816	-46	-93	-1,145	-609	6,444	7,053	-14,157
May-24	-3,023	-881	-676	-174	2,708	-455	314	-2,186	-2,500	9,910
Jun-24	3,111	-92	3,821	-104	1,773	-950	-13	7,546	7,559	-1,086
Jul-24	**3,347**	**411**	**1,240**	**60**	**-11,562**	**-47**	**282**	**-6,269**	**-6,551**	**527**

Yearly	India	Indonesia	Korea	Philippines	Taiwan	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
YTD	**4,794**	**1,125**	**16,573**	**-55**	**-2,352**	**-3,386**	**397**	**17,097**	**16,700**	**19,756**
2023	21,427	-353	10,705	-863	6,933	-5,507	-514	31,827	32,341	29,092
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
2018	-4,617	-3,656	-5,676	-1,080	-12,196	-8,913	-2,885	-39,024	-36,138	-50,284
2017	7,951	-2,960	8,267	1,095	7,415	-796	2,456	23,429	20,973	3,710
2016	2,903	1,259	10,480	83	11,130	2,240	-628	27,468	28,096	-39,762
2015	3,274	-1,580	-3,580	-1,194	3,384	-4,372	-5,062	-9,130	-4,068	3,523

Source: Syailendra Research

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SYAILENDRA

PT Syailendra Capital

District 8 Treasury Tower
39th Fl. Unit 39A, SCBD Lot 28
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190
P. : +62 21 2793 9900
F. : +62 21 2972 1199

@reksadana.syailendra Syailendra Capital Syailendra Capital Syailendra Capital www.syailendracapital.com