SYAILENDRA

Preferred Investment Partner

Monthly Bulletin

February 2025

What's Inside

Calendar

US – NFP and Unemployment Rate (7-Feb)

US – CPI Result (12-Feb)

ID – BI Rate (19-Feb)

Events

Dalam beberapa pekan terakhir, pasar dikejutkan dengan berita pengenaan tarif impor ke China, Mexico dan Canada. Hal ini mengakibatkan sentimen *risk-off.* Tak berlangsung lama, Presiden AS, Trump mengumumkan adanya *delay* 30 hari atas implementasi tarif.

Investor sebaiknya berhati-hati mengingat volatilitas dari sentimen eksternal bisa saja muncul kembali.

Equity Market

IHSG mencatatkan kinerja sepanjang tahun 2024 sebesar 0.41%YoY (*cut-off date*: 31 Januari 2025). Di saat bersamaan, investor asing melakukan penjualan *(outflow)* sebesar USD 248 juta di bulan Jan'25.

Top 3 Leaders YTD: 1) DSSA, 2) BMRI, 3) GOTO, dan Top 3 Laggards: 1) AMMN, 2) PANI, 3) BBCA.

Fixed Income Market

Yield SUN 10 tahun di akhir Jan'25 tercatat di level 6.990% bergerak flat dari Dec'24 di level 6.997%.

Investor asing mencatatkan pembelian *(inflow)* sebesar USD 133mio atau naik 14.4%MoM di bulan Jan'25.

By Syailendra Research Team

Section

01

Macro Updates

2025F Macro Background

Evaluating and updating our macro view this year

Updates on Macro View So Far
Explained

- Memasuki tahun 2025 dapat dikatakan merupakan tahun transisi baik dari sisi pemerintahan baru dan potensi rezim perekonomian baru. Hal ini terlihat jelas baik dari perubahan eksternal global ataupun internal domestik makro Indonesia. Hal ini memiliki implikasi atas pergerakan harga asset dan peningkatan volatilitas. Terdapat beberapa hal yang menurut kami akan menjadi penentu arah market kedepan:

  - ***President Trump bringing tariff threat as negotiation* :** Salah satu janji Trump terhadap konstituen ialah menurunkan defisit neraca perdagangan US dan memprioritaskan ekonomi domestik US menggunakan tarif impor sebagai alat negosiasi. Penundaan tarif impor ke Canada dan Mexico selama 30 hari dan pengenaan 10% tarif ke semua barang dari China. Hal ini membuat investor bertanya akan dua hal yaitu : 1) *Inflation impact -> higher yield pricing*, 2) *Net dollar demand from tariff (offset from weaker volume) -> strong dollar*.

  - **Menurut kami *global financial market* telah dengan cepat mengasumsikan banyak hal pasca *US election* :** Hal-hal seperti *trade war, mass deportation*, *US tax cut,* dan implikasi nya terhadap USD dan *US asset classes.* Berbagai kebijakan akan terjadi secara gradual dan mungkin situasi ke depan tidak akan seperti yang banyak investor asumsikan saat ini. Perlu di ingat, President Trump suka pertumbuhan tapi tidak suka dengan *strong USD, high inflation* dan *high interest rates.*

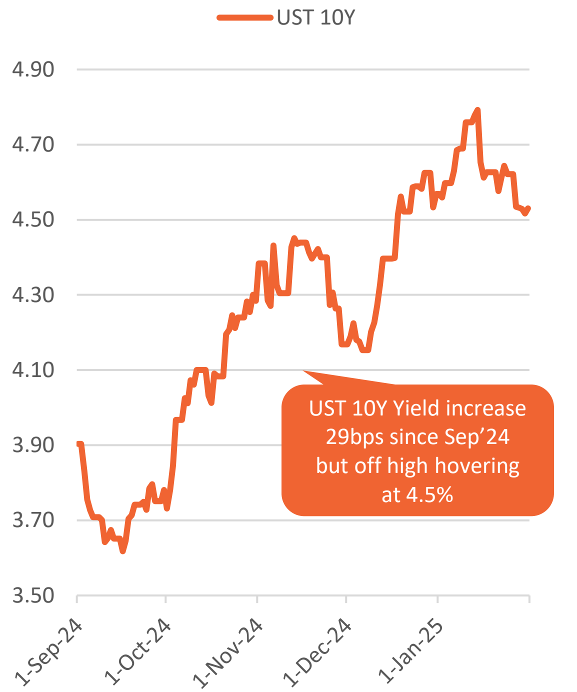
  - ***Tariff threat isn't just from China anymore, is it a prelude to a stimulus era like in China?* :** Kondisi ini secara normatif memaksa ekonomi melambat. Namun, banyak negara, termasuk China sedang mengalami perlambatan bahkan stagnasi. Menjadi hal umum bahwa Pemerintah China akan melakukan stimulus ekonomi setidaknya lebih dari CNY 10tn (USD 1-2tn). Bukan berarti negara lain, termasuk Indonesia, tidak dapat mencontoh apa yang dilakukan oleh China. Spekulasi ini dapat berpotensi *better growth* yang diikuti *higher inflation,* walaupun saat ini belum terlihat di Indonesia.

  - **Kebijakan Pemerintahan Prabowo berpotensi memberikan dampak positif terhadap *mass population*** : Prioritas pemerintahan baru berpusat pada pengembangan SDM dan penguatan ekonomi masyarakat menengah bawah. Kebijakan tersebut termasuk: 1) Makan siang gratis, 2) Pengembangan 3 juta rumah 3) Pemberantasan *online gambling*, dan lainnya diharapkan dapat meningkatkan produktivitas SDM kedepan agar lebih bersaing. Disaat bersamaan isu pendanaan menjadi kekhawatiran dari sisi Investor, mengakibatkan ketidakpastian dari sisi *CoF* dan IDR.

Have The Market Priced-in Trump Trade ? (1)

US financial market seems to priced-in and bit taper-off as trump inaugurated

UST Quickly Spiked Despite Off-High
As per 1 Nov 2024

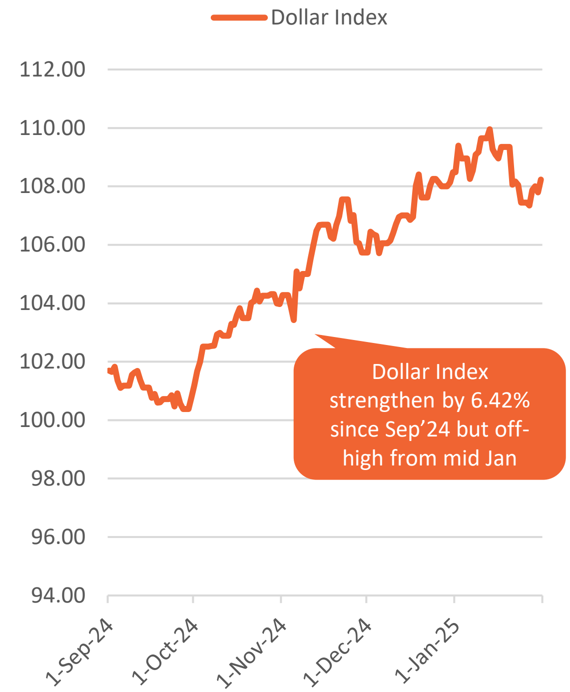


Source : Syailendra Research, Bloomberg

S&P 500 Consolidated Yet Still Elevated
As per 1 Nov 2024

Source : Syailendra Research, Bloomberg

DXY Reached 108
As per 1 Nov 2024



Source : Syailendra Research, Bloomberg

- Menurut kami, *global financial market* telah dengan cepat mengasumsikan banyak hal pasca *US election.*
- Ini termasuk potensi tarif, risiko deportasi untuk imigran, dan kelanjutan dari *US tax cut.*
- Berbagai kebijakan akan terjadi secara gradual dan mungkin situasi ke depan akan berbeda dari apa yang investor asumsikan saat ini.
- Perlu diingat, President Trump suka pertumbuhan, tapi tidak suka dengan *too strong USD, high inflation,* dan *high interest rates.*

Have The Market Priced-in Trump Trade ? (2)

Market has assumed less rate cuts signaling further concern on Trump initiatives

Market Repricing No Rate Cut in 2026
Interest rate prob % for each Fed meeting

Cum. Prob	375-400	400-425	425-450	Notes
Mar-25	0.0%	20.0%	80.0%	Latest FFR : 4.25 - 4.50%
May-25	0.0%	52.4%	47.6%	
Jun-25	1.3%	98.7%	0.0%	
Jul-25	22.0%	78.0%	0.0%	
Sep-25	54.9%	45.1%	0.0%	
Oct-25	72.0%	28.0%	0.0%	
Dec-25	92.3%	7.8%	0.0%	2025F : 3.9
Jan-26	100.0%	0.0%	0.0%	
Mar-26	93.1%	0.0%	0.0%	
Apr-26	91.0%	0.0%	0.0%	
Jun-26	99.7%	0.3%	0.0%	
Jul-26	89.0%	11.0%	0.0%	
Sep-26	91.9%	8.1%	0.0%	
Oct-26	83.0%	17.0%	0.0%	2026F : 3.4
Dec-26	0.0%	0.0%	0.0%	Terminal : 3.0-3.1

Source: Bloomberg, Syailendra Research

FOMC Signal Slower Rate Cut
Dec'24 summary economic projection

Variable	Latest	Median					Notes
		2024	2025	2026	2027	Longer run	
Real GDP (%YoY%)	3.10	2.50	2.10	2.00	1.90	1.80	Expect deceleration of growth
Sep projection		2.00	2.00	2.00	2.00	1.80	
Unemployment rate (%)	4.20	4.20	4.30	4.30	4.30	4.20	Unemployment only slightly increase from current level
Sep projection		4.40	4.40	4.30	4.20	4.20	
PCE Inflation (%)	2.40	2.40	2.50	2.10	2.00	2.00	Inflation expected to normalized to 2ppt level yet also slower
Sep projection		2.30	2.30	2.10	2.00	2.00	
Core PCE inflation	2.81	2.80	2.80	2.50	2.20	2.00	
Sep projection		2.60	2.60	2.20	2.00	2.00	
FFR	4.40	4.40	3.90	3.40	3.10	3.00	Fed signal slower rate cut into 2026
Sep projection		4.40	3.40	2.90	2.90	2.90	

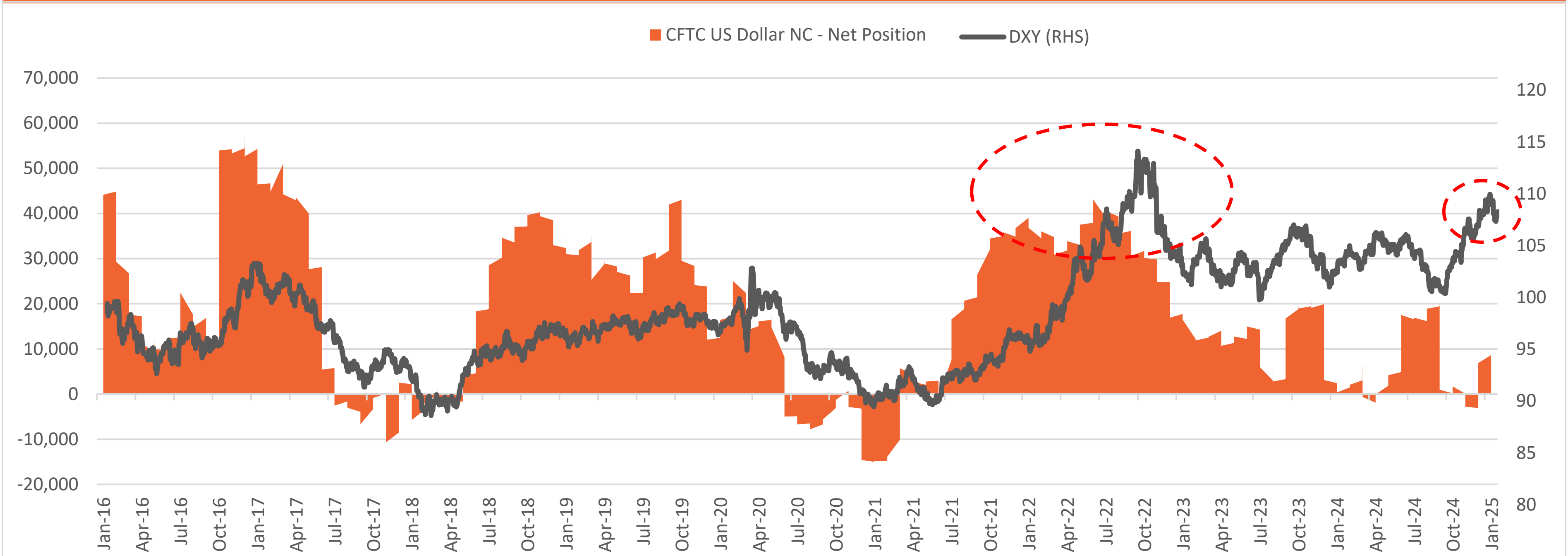
Source: Bloomberg, Syailendra Research

- Pasar saat ini memiliki ekspektasi yang cukup rendah untuk satu tahun ke depan *(FFR: 4.25-4.50%)*, di mana pasar hanya mengharapkan penurunan suku bunga sebanyak dua kali (Apr-Jun'25 dan Des'25). Saat ini, pasar tidak mengharapkan adanya penurunan tingkat suku bunga setelah 2025F.
- Hal ini berbeda dengan data *Summary of Economic Projections* dari FOMC pada Des'24 yang masih menunjukkan penurunan tingkat suku bunga pada tahun 2026 dan 2027.

Have The Market Priced-in Trump Trade ? (3)

While DXY level elevated not with USD futures net open interest

Net Open Interest Does Not Show Correlation With DXY Price Level This Time Unlike 2022 Fed Rate Hike
In unit of contract and DXY unit index



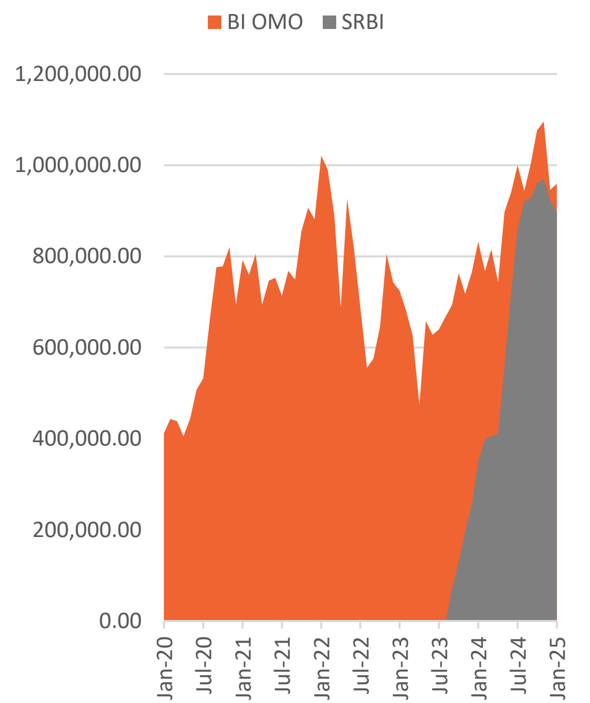
Source : Syailendra Research, Bloomberg

- Terdapat hal yang berbeda dengan penguatan USD yang terjadi saat ini dibandingkan dengan *Fed rate hike* 2022. *Speculative market (non-commercial)* untuk indeks USD tidak mencatatkan peningkatan *net open interest* yang signifikan.

Liquidity is Still Tight (Currently)

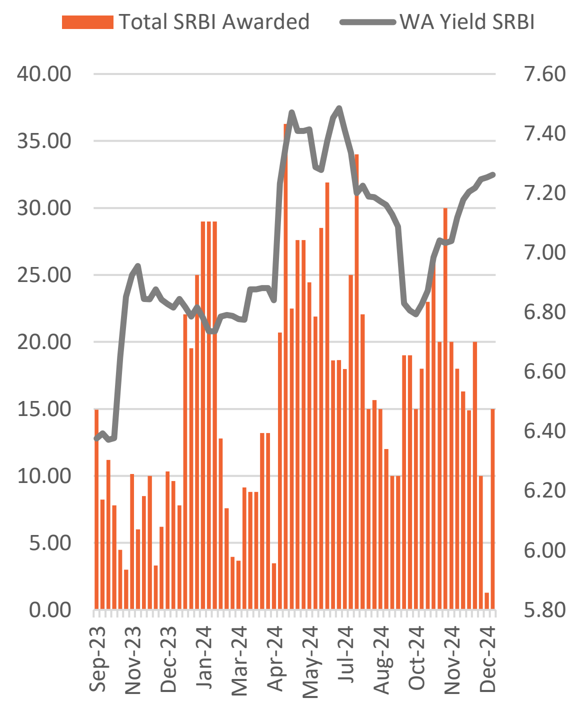
Elevated OMO and SRBI might cause lowest banking excess liquidity

SRBI = Majority of OMO
In IDR tn



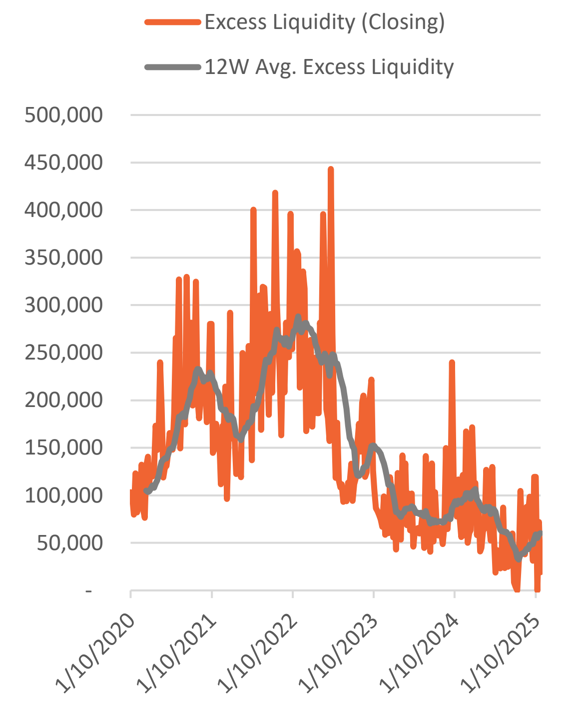
Source: Blooomberg, BI

SRBI Issuance Already Drop
In IDR tn, yield awarded



Source: Blooomberg, BI

Excess Liquidity Breach New Low
In IDR bn



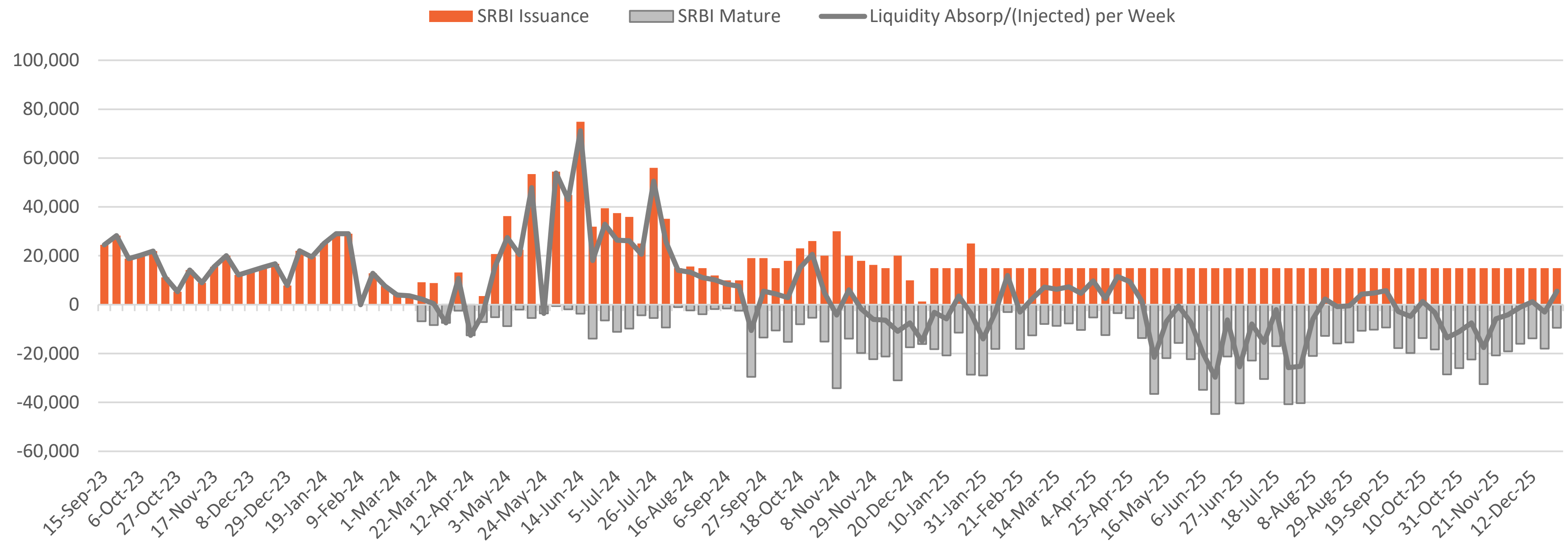
Source: Blooomberg, BI

- Terlepas dari pemotongan suku bunga yang terjadi di bulan lalu. Kami melihat likuiditas perbankan masih ketat, hal ini diakibatkan OMO BI yang masih tinggi.

Gradual Improvement as SRBI Had Higher Maturity

Total liquidity release could be IDR 200tn for 2025F but gradually each week

As SRBI Had More Maturity Over Its Issuance (Assume 15trn Every Week), Liquidity Condition Should Improve
In IDR bn



Source: Blooomberg, BI, Syailendra Capital

- Hal positifnya adalah terdapat potensi baik karena issuance SRBI saat ini telah stabil di IDR 10-15tn per minggu, diikuti dengan suku bunga yang telah turun di level 6.7-6.8%. Dengan asumsi issuance tetap di IDR 15tn, pasar modal dan perbankan berpotensi mendapatkan tambahan likuiditas dengan rata-rata per minggu sebesar IDR 3tn.

Prabowo Key Policies Positive for Growth

There are concerns on funding and currency impact

Several Prabowo Key Policy with Grassroot Economy as its Center
Explained

<table>
<tr><th>No</th><th>Key Policy</th><th>Detail of Policy</th><th>Comments</th><th>Upside Risk</th><th>Downside Risk</th></tr>
<tr><td>1</td><td>Education Policy</td><td>Free Lunch Program for Students</td><td rowspan="2">- Funding issue as implementation ramping-up
- Upside risk on economic growth especially on low to middle segment</td><td rowspan="2">• Growth
• Rates (CoF)</td><td rowspan="2">• Fiscal Balance
• Currency</td></tr>
<tr><td>2</td><td>Social Benefit Program</td><td>1. 3mio Housing Program</td></tr>
<tr><td rowspan="4">3</td><td rowspan="4">Economic Policy</td><td>Commodity Down Streaming</td><td>- Expansion on another commodity</td><td>• Growth</td><td></td></tr>
<tr><td>Food Estate, B50 Biodiesel</td><td>- More on execution risk downside risk on inflation and currency (less dependent on import)</td><td>• Growth</td><td>• Inflation</td></tr>
<tr><td>SME Loan Collection Write-off</td><td>- Latest policy seems reasonable from economic perspective without incentivizing moral hazard</td><td>• Growth</td><td></td></tr>
<tr><td>Eradication of Online Gambling</td><td>- Over 8.7mio people engaged in online gamble with 4.5tn deposit in digital wallet. 1H24 transaction reached IDR 174tn alone</td><td>• Growth</td><td></td></tr>
<tr><td rowspan="2">4</td><td rowspan="2">Fiscal Policy</td><td>Higher Tax Ratio</td><td>- Unclear as means and instrument to increase tax. Indonesia also had the lowest tax revenue ratio</td><td>• Fiscal Balance
• Currency</td><td>• Rates (CoF)</td></tr>
<tr><td>Higher Military Spending</td><td>- Indonesia actually had the lowest military spending in % of GDP and per capita compare other ASEAN countries.</td><td></td><td>• Fiscal Balance
• Currency</td></tr>
</table>

Source: Blooomberg, BI

- Salah satu janji Prabowo adalah mencapai tingkat pertumbuhan 8% untuk mencapai Indonesia Emas. Salah satu cara mencapainya adalah dengan mengokohkan *standard of living* segmen terbelakang dan fokus pada SDM. Adapun program hilirisasi akan dilanjutkan.

- Terdapat beberapa ketertinggalan dari sisi pemerintahan dalam beberapa tahun terakhir, yaitu perpajakan dan belanja militer. Hal-hal di atas menimbulkan banyak kekhawatiran di kalangan investor terkait kapasitas pemerintah untuk melakukan pendanaan dan implikasi terhadap IDR apabila terjadi peningkatan impor yang signifikan.

Section

02

Fixed Income

2025F Fixed Income Narrative

No fundamental changes except concern on currency impact to rates

Updates on Our View This Month

Explained

- Perubahan faktor makro dan ketidakpastian di atas mengakibatkan perlunya tinjauan ulang atas asumsi-asumsi yang digunakan untuk melihat prospek INDOGB ke depan. Berikut ini merupakan beberapa hal yang menurut kami perlu menjadi pertimbangan ke depan:

  - ***Latest rate trajectory post tariff announcement :*** Saat ini, pasar memiliki ekspektasi penurunan suku bunga sebanyak dua kali sampai dengan akhir tahun 2025. FFR 3.75-4.00% saat ini dianggap sebagai *terminal rate,* terlepas dari panduan yang diberikan oleh FOMC sebesar 3.10%. Hal ini mengakibatkan *yield* jangka panjang (UST) yang mempricing-in 4.50%, termasuk INDOGB.

  - ***Gross bond supply* meningkat untuk tahun 2025F, namun...**: Awalnya, kami melakukan estimasi defisit fiskal -2.8% yang diikuti oleh beberapa asumsi dasar (misalnya penggunaan SAL, *debt-switch*). Namun, belakangan banyak sekali inisiatif dari pemerintah (misalnya usaha untuk efisiensi APBN IDR 306tn). Hal ini mengakibatkan sulit untuk mengetahui estimasi *gross bond supply* sepanjang tahun 2025. Lebih penting saat ini untuk memonitor dua hal, yaitu: 1) *bid-reward ratio* pada lelang, 2) memonitor belanja APBN.

  - **Maturity dari SRBI diharapkan dapat membantu issuance maturity dari INDOGB :** Adapun hal positifnya, jatuh tempo SRBI cocok dengan jatuh tempo SUN yang besar di tahun 2025. Kami melihat bahwa meskipun SRBI akan tetap melakukan issuance selama levelnya berada di kisaran 10-15trn, hal ini tetap memberikan dampak positif bagi INDOGB.

- Berdasarkan perubahan yang terjadi, kami merasa penting untuk melakukan analisis skenario guna menentukan *Fair Yield* atas INDOGB. Berikut adalah skenario yang kami pertimbangkan: *Bullish (Dovish):* 6.75%, *Base*: 7.00%, *Bearish (Hawkish):* 7.50%. Masing-masing asumsi dapat ditemukan dalam *appendix* kami.

INDOGB Peers Comparison

Other sovereign rates have been punished on the back of currency performance

EM Peers Yield Comparison

In %

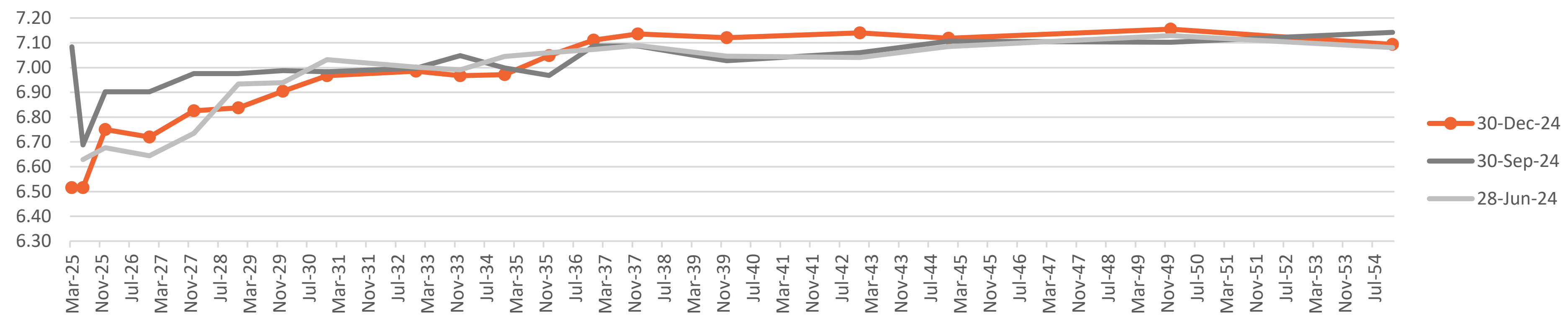
Country	10Y Yield (%)		Spread to US 10Y			Currency		Carry Yield	Inflation	Real Yield (%)	CAD	Fiscal Deficit	Credit Rating
	Current	YTD Chg. (bps)	2023	Current	Chg.	YTD Chg (in ppt)	vs Cons. Forecast (2025F)	2025F	2025F	2025F Inflation	2025F	2025F	
Brazil	15.00	-16	10.59	10.47	-0.12	5.14	7.43	22.44	4.76	10.24	-2.31	-8.30	BB
South Africa	10.40	8	5.74	5.86	0.12	1.09	4.68	15.08	4.10	6.30	-2.00	-5.10	BB
India	6.70	-6	2.19	2.16	-0.02	-1.16	1.49	8.19	4.80	1.90	-1.10	-4.90	BBB-u
Italy	3.56	4	-1.05	-0.97	0.08	0.23	1.41	4.97	2.00	1.56	1.00	0.30	BBBu
Portugal	2.88	4	-1.73	-1.65	0.08	0.23	1.41	4.29	2.00	0.88	1.40	0.30	A-u
Mexico	9.96	-46	5.85	5.43	-0.42	0.45	2.50	12.46	3.90	6.06	-0.80	-3.80	BBB+
Romania	7.51	18	2.76	2.98	0.22	0.17	1.78	9.29	4.10	3.41	-7.20	-7.00	BBB-
Hungary	6.64	8	1.99	2.11	0.12	0.96	3.91	10.55	3.70	2.94	1.70	-4.35	BBB-
Colombia	11.37	-51	7.31	6.83	-0.47	6.03	0.13	11.50	4.10	7.27	-3.00	-5.10	BBB-
Average Peers in BBB & BB*			**3.60**	**3.57**						**6.04**			
Spain	3.08	3	-1.52	-1.45	0.06	0.23	1.41	4.49	2.10	0.98	3.00	-2.90	Au
South Korea	2.86	1	-1.72	-1.67	0.05	1.35	6.28	9.14	1.90	0.96	3.75	-1.00	AA
China	1.63	-4	-2.91	-2.91	0.00	0.76	1.38	3.01	0.80	0.83	1.30	-5.50	A+
Chile	6.02	30	1.15	1.49	0.33	1.08	3.58	9.60	4.13	1.89	-2.70	-1.96	A+
Thailand	2.29	4	-2.32	-2.24	0.08	1.25	0.28	2.57	1.20	1.09	2.80	-4.20	A-
Malaysia	3.80	-2	-0.76	-0.74	0.02	0.27	1.18	4.98	2.50	1.30	2.05	-3.80	A
Poland	5.84	-4	1.31	1.31	0.00	1.65	0.50	6.34	4.40	1.44	-0.20	-5.70	A
Average Peers in A Credit			**-0.97**	**-0.89**						**1.21**			
United States	4.53	-4							2.60	1.93	-3.79	-6.5	AA+u

Source: Bloomberg, Syailendra Research

INDOGB Curve back to 1H24 Level

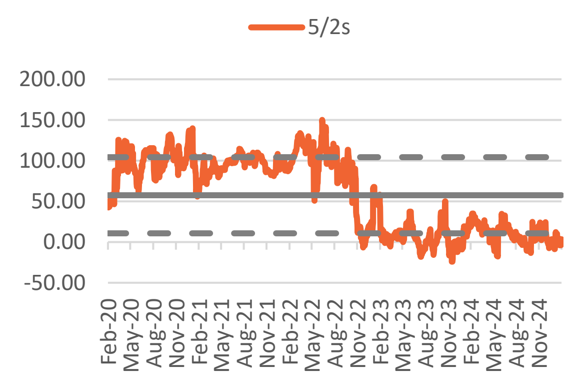
Yield curve show some flattening pattern

INDOGB Yield Curve
In ppt



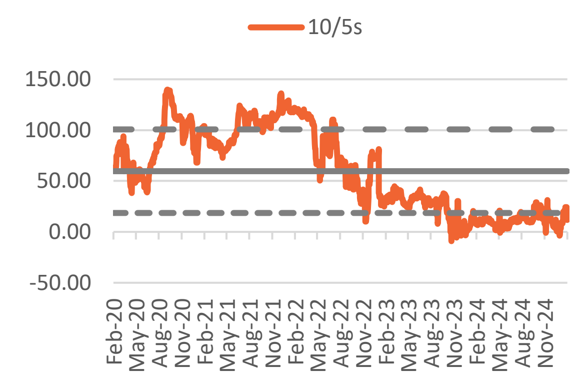
Source: Bloomberg, Syailendra Research

5/2s Historical Spread
In bps



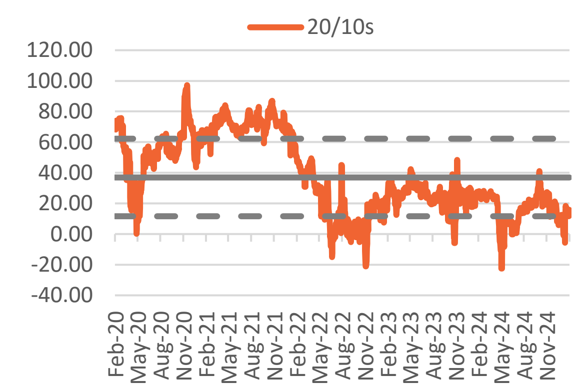
Source: Bloomberg, Syailendra Research

10/5s Historical Spread
In bps



Source: Bloomberg, Syailendra Research

20/10s Historical Spread
In bps



Source: Bloomberg, Syailendra Research

Foreign Government Bond Flows

Foreign flow into government bonds is relatively small compared to past inflows

Monthly Data	India	Indonesia	Korea	Philippines	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
May-23	418	-58	11,935	451	699	842	13,446	14,288	10,095
Jun-23	1,237	1,073	12,691	-654	-269	338	14,077	14,415	-7,575
Jul-23	379	590	5,046	-654	958	1,655	6,320	7,975	-7,875
Aug-23	923	-535	3,886	1,224	-1,057	-1,122	4,441	3,319	-15,781
Sep-23	197	-1,093	4,047	-290	-618	-114	2,243	2,129	-3,634
Oct-23	760	-805	3,106	-290	458	-348	3,229	2,882	-15,167
Nov-23	1,677	1,505	2,221	-924	474	713	4,953	5,666	9,948
Dec-23	2,373	498	3,574	1,107	-331	-33	7,220	7,187	-6,142
Jan-24	2,535	-53	1,297	-885	-112	-382	2,781	2,399	4,931
Feb-24	2,374	-301	3,837	-209	-429	119	5,272	5,391	100
Mar-24	2,224	-1,313	1,454	47	-255	163	2,156	2,318	5,871
Apr-24	-1,910	-1,064	3,980	555	-697	233	864	1,097	-14,646
May-24	1,005	1,199	2,749	2,737	511	707	8,201	8,908	3,930
Jun-24	2,136	117	3,046	38	-287	-549	5,050	4,501	-9,891
Jul-24	2,615	305	1,958	38	779	1,099	5,695	6,793	8,947
Aug-24	2,806	2,492	6,463	-1,813	762	1,394	10,709	12,103	8,798
Sep-24	2,295	1,343	7,260	2,228	129	-155	13,255	13,099	188
Oct-24	-343	967	6,377	1,248	-993	-1,607	7,256	5,649	12,889
Nov-24	-114	-805	2,763	224	-854	-318	1,214	896	4,443
Dec-24	1,578	412	1,955	224	356	-429	4,525	4,095	-6,835
Jan-25	1,384	133	280	-708	-358	-429	732	303	4,193

Yearly	India	Indonesia	Korea	Philippines	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
YTD	1,384	133	280	-708	-358	-429	732	303	4,193
2024	17,199	3,300	43,139	4,430	-1,092	275	66,977	67,251	18,726
2023	8,445	5,142	60,647	2,130	319	3,767	76,682	80,449	-36,506
2022	-2,012	-7,070	54,020	6,334	6,227	-732	57,499	56,767	-77,953
2021	-1,525	-4,906	106,256	3,900	6,550	2,976	110,274	113,251	111,916
2020	-13,853	-4,684	62,283	6,297	-1,005	3,248	49,038	52,286	-22,017
2019	3,489	11,767	45,764	1,034	-502	4,303	61,552	65,854	88,890
2018	-6,745	3,462	46,282	3,912	8,854	-4,539	55,765	51,226	20,971

Source: Syailendra Research

Indonesia Bonds Ownership

Banks continued to sell off their INDOGB positions during 3Q24

Ownership on Tradeable Indonesia Government Bonds

In IDR Trn

Year	Bank	Central Bank	Mutual Fund	Insurance & PF	Foreign	Retail	Others	Total
2017	23.4%	6.8%	5.0%	16.6%	39.8%	2.9%	5.6%	100.0%
2018	20.3%	10.7%	5.0%	17.5%	37.7%	3.1%	5.7%	100.0%
2019	21.1%	9.5%	4.8%	17.1%	38.6%	2.9%	5.9%	100.0%
2020	35.5%	11.7%	4.2%	14.0%	25.2%	3.4%	6.0%	100.0%
2021	34.0%	17.1%	3.4%	14.0%	19.0%	4.7%	7.7%	100.0%
2022	32.0%	19.2%	2.7%	16.4%	14.4%	6.5%	8.8%	100.0%
2023	26.5%	19.4%	3.2%	18.5%	14.9%	7.7%	9.8%	100.0%
2024	17.4%	26.8%	3.1%	19.0%	14.5%	9.0%	10.2%	100.0%
2025	18.3%	25.7%	3.1%	19.0%	14.4%	9.0%	10.3%	100.0%

Net flow

Year	Bank	Central Bank	Mutual Fund	Insurance & PF	Foreign	Retail	Others	Total
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
2024	-444	522	9	104	35	107	67	400
2025	66	-50	1	16	2	9	11	56
YTD								
1Q	66	-50	1	16	2	9	11	56

Source : Syailendra Research, DJPPR

Indonesia Bonds Ownership - SRBI

While still using Dec'24 data, the decrease in SRBI holdings reflects liquidity injection

Total SRBI - Net

In IDR trn

Total	Bank	Res.	Non-Res.	Others	Total
Dec-23	189.3	0.2	62.2	2.8	254.5
Jan-24	264.5	0.2	83.7	1.6	350.0
Feb-24	297.0	0.2	87.7	14.5	399.4
Mar-24	311.7	1.0	82.4	9.9	405.0
Apr-24	320.4	2.0	75.2	13.2	410.7
May-24	384.6	7.0	152.2	14.5	558.2
Jun-24	461.3	41.4	192.5	25.9	721.1
Jul-24	537.7	63.8	236.0	22.8	860.3
Aug-24	534.8	77.3	250.6	58.1	920.8
Sep-24	552.1	79.9	254.2	41.4	927.6
Oct-24	586.3	83.6	262.2	28.6	960.7
Nov-24	601.7	328.6	84.9	243.7	38.9
Dec-24	**560.8**	**315.2**	**91.1**	**224.2**	**47.5**

Source : Bank Indonesia

Ownership of SRBI

In IDR trn

Total	Bank	Res.	Non-Res.	Others	Total
Dec-23	74.4	24.5	0.1	24.4	1.1
Jan-24	75.6	24.0	0.1	23.9	0.5
Feb-24	74.4	22.0	0.0	22.0	3.6
Mar-24	77.0	20.6	0.3	20.3	2.4
Apr-24	78.0	18.8	0.5	18.3	3.2
May-24	68.9	28.5	1.3	27.3	2.6
Jun-24	64.0	32.4	5.7	26.7	3.6
Jul-24	62.5	34.9	7.4	27.4	2.7
Aug-24	58.1	35.6	8.4	27.2	6.3
Sep-24	59.5	36.0	8.6	27.4	4.5
Oct-24	61.0	36.0	8.7	27.3	3.0
Nov-24	62.1	33.9	8.8	25.1	4.0
Dec-24	**60.7**	**34.1**	**9.9**	**24.3**	**5.1**

Source : Bank Indonesia

Net Change of SRBI

In IDR trn

Total	Bank	Res.	Non-Res.	Others	Total
Dec-23	30.1	0.0	24.9	1.8	56.8
Jan-24	75.2	0.0	21.6	-1.2	95.6
Feb-24	32.5	0.0	4.0	13.0	49.4
Mar-24	14.7	0.8	-5.3	-4.6	5.6
Apr-24	8.7	1.0	-7.2	3.3	5.8
May-24	64.2	5.0	77.0	1.3	147.5
Jun-24	76.7	34.4	40.3	11.4	162.8
Jul-24	76.4	22.5	43.5	-3.1	139.2
Aug-24	-2.9	13.5	14.6	35.3	60.5
Sep-24	17.3	2.6	3.6	-16.7	6.8
Oct-24	34.2	3.7	8.0	-12.9	33.1
Nov-24	15.4	1.3	-18.5	10.3	8.5
Dec-24	**-40.9**	**6.2**	**-19.5**	**8.6**	**-45.6**

Source : Bank Indonesia

- Bulan Desember tercatat terdapat *maturity* dari SRBI yang mengakibatkan *negative net change* dari SRBI disertai dengan penurunan *issuance*.

Section

03

Equity

2025F Equity Narrative

Non-fundamental issue, bottom-picking and currency risk

Updates on Our View This Month
Explained

- Pasca pemilu AS, ketidakpastian global, baik dari sisi geopolitik maupun mata uang, meningkat. Kami melihat beberapa kesimpulan yang dapat ditarik dari sisi pengelolaan portofolio:

  - **Weighting yang besar dari saham-saham non-fundamental :** Saham-saham ini memiliki free float yang tipis, namun mengalami kenaikan signifikan, menarik likuiditas dari investor, baik lokal (terutama ritel) maupun global (terutama passive funds), yang menyebabkan kinerja IHSG terdistorsi dan risiko volatilitas pasar meningkat.

  - **Fokus pengelolaan dengan mengedepankan fleksibilitas dan sektor neutral** : Kami dapat melakukan ini dengan *pendekatan bottom-up/stock picking strategy* tanpa terlalu fokus pada tematik sektor.

  - **Outlook suku bunga:** Outlook suku bunga dapat membantu kinerja IHSG, meskipun ada revisi terhadap potensi *rate-cut,* mengingat sektor finansial berkontribusi sebesar 30% dari bobot IHSG dan Indonesia merupakan negara dengan perbankan yang memiliki ROE terbesar di kawasan regional.

  - **Risiko *foreign outflow* akibat narasi dominasi AS** : YTD, Indonesia mencatatkan **+3.6bio** USD diikuti oleh kinerja IHSG YTD **+4.14%**. Di sisi lain, periode yang dapat dijadikan komparasi adalah tahun 2018 saat Trump pertama kali meningkatkan tarif, yang menyebabkan *foreign outflow* sebesar **-3.6bio** USD diikuti kinerja IHSG sebesar **-2.54%.**

- Beradasarkan hal-hal diatas, kami melakukan pendekatan yang berbeda untuk level IHSG dimana terdapat dua *price-level* yaitu JCI Adj. dan JCI Headline. Hal ini diakibatkan kontribusi saham-saham non-fundamental yang terjadi dalam 2 tahun terakhir.

- Konsensus memperkirakan pertumbuhan laba memasuki 2025F dan 2026F akan mencapai 9-10%, dan kami menilai valuasi di level yang sama dengan prinsip konservatif. Target IHSG Headline untuk 2025F adalah di level 7,500.

Global Indices Performance

Indonesia had been underperforming compare to peers

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)	12.96%	-5.20%	0.58%	8.83%	12.96%	16.47	3.91	22.63
2	S&P 500 (US)	23.84%	-2.08%	2.51%	8.18%	23.84%	17.74	3.60	19.11
3	Nasdaq (US)	29.81%	1.40%	7.13%	9.89%	29.81%	24.94	4.43	17.02
4	London (UK)	17.47%	-4.01%	2.58%	12.55%	17.47%	12.74	1.60	11.65
5	DAX (GR)	18.85%	1.44%	3.02%	9.18%	18.85%	10.49	1.29	11.71
6	CAC (FP)	-3.04%	1.08%	-4.22%	-2.22%	-3.04%	11.97	1.59	13.03
Asia Market									
1	Nikkei (JP)	19.22%	4.41%	5.21%	0.79%	19.22%	17.14	1.66	9.64
2	Hang Seng (HK)	17.56%	3.18%	-5.17%	13.11%	17.56%	7.30	0.83	10.90
3	Shanghai (CN)	14.53%	2.43%	2.12%	14.83%	14.53%	8.61	1.01	11.59
4	Shenzhen (CN)	16.55%	2.11%	-0.47%	15.52%	16.55%	9.07	1.16	12.75
5	NFT (IN)	8.81%	-2.01%	-8.39%	-1.52%	8.81%	17.66	2.76	15.29
6	Kospi (KR)	-9.63%	-2.30%	-7.47%	-14.24%	-9.63%	8.78	0.81	9.20
ASEAN Market									
1	Singapore (SG)	17.14%	1.51%	5.87%	13.89%	17.14%	10.09	1.07	10.60
2	Kuala Lumpur (MK)	12.58%	2.72%	-0.68%	2.99%	12.58%	12.28	1.18	9.50
3	Thailand (TH)	-1.10%	-1.91%	-3.36%	7.63%	-1.10%	12.77	1.25	9.72
4	Vietnam (VN)	12.58%	1.72%	-1.24%	2.14%	12.58%	8.12	1.26	15.59
5	Philipines (PH)	1.22%	-1.29%	-10.23%	1.82%	1.22%	10.06	1.25	12.81
Indonesia Market									
1	JCI / IHSG (ID)	-2.65%	-0.48%	-5.95%	0.23%	-2.65%	12.60	1.68	13.25
2	JII / ISSI (ID)	1.41%	-0.83%	-4.85%	3.05%	1.41%	12.12	1.34	11.00
3	IDX30 (ID)	-14.48%	-3.48%	-12.21%	-4.40%	-14.48%	11.92	1.68	14.00
4	LQ45 (ID)	-14.83%	-3.52%	-11.96%	-6.88%	-14.83%	11.97	1.66	13.82

Source: Syailendra Research, Bloomberg

Equity Peers Comparison

Market much more positive on 2026 rather than 2025 earnings

Global Indices Historical Performance

In % of return

Desc.	P/E		EPS Growth		P/B		ROE	
	2025	2026	2025	2026	2025	2026	2025	2026
MSCI SEA	**13.4**	**12.3**	**9.4%**	**8.2%**	**1.6**	**1.5**	**12.0**	**12.2**
Indonesia*	**12.0**	**10.8**	**5.6%**	**10.5%**	**1.8**	**1.6**	**15.4**	**15.4**
Malaysia	13.4	12.5	9.5%	7.3%	1.3	1.3	9.7	10.2
Phillipines	9.8	8.9	10.2%	10.3%	1.4	1.2	13.8	13.6
Singapore	13.6	12.7	6.3%	7.1%	1.7	1.6	12.3	12.5
Thailand	15.6	14.5	12.7%	8.0%	1.6	1.5	10.2	10.5
MSCI AxJ	**12.8**	**11.3**	**12.2%**	**13.1%**	**1.6**	**1.4**	**12.0**	**12.5**
Hong Kong	11.6	10.8	6.2%	7.3%	0.9	0.8	7.4	7.6
India	21.4	19.0	9.6%	12.5%	3.4	2.9	14.1	14.5
Korea	8.6	7.3	17.4%	16.8%	0.9	0.8	10.5	11.2
Taiwan	17.1	14.8	18.2%	15.6%	3.0	2.8	17.3	19.1
MSCI EMEA	**10.7**	**9.4**	**16.7%**	**13.5%**	**1.6**	**1.4**	**15.0**	**14.5**
South Africa	9.2	8.1	35.3%	13.7%	1.6	1.1	17.9	14.1
Turkey	6.7	4.2	50.2%	59.9%	0.9	0.7	12.8	17.0
MSCI LATAM	**8.4**	**7.8**	**18.5%**	**8.4%**	**1.3**	**1.2**	**14.9**	**15.1**
Brazil	7.6	7.0	20.5%	8.4%	1.2	1.1	14.8	14.9
Mexico	10.6	9.8	18.0%	7.8%	1.6	1.5	15.6	15.1
MSCI EMEA	**10.7**	**9.4**	**16.7%**	**13.5%**	**1.6**	**1.4**	**15.0**	**14.5**
MSCI World	**19.8**	**17.8**	**9.5%**	**11.2%**	**3.3**	**3.0**	**15.6**	**16.1**
Australia	18.7	18.4	-0.3%	1.8%	2.4	2.3	12.4	12.0
Europe	14.4	13.2	5.0%	9.2%	2.0	1.8	13.2	13.4
Japan	15.6	14.2	1.9%	9.8%	1.4	1.3	9.0	9.3
USA	22.4	20.0	11.9%	12.5%	4.6	4.2	19.0	19.6
Local Index								
JCI*	11.7	10.5	8.6%	11.2%	1.5	1.4	13.4	13.5

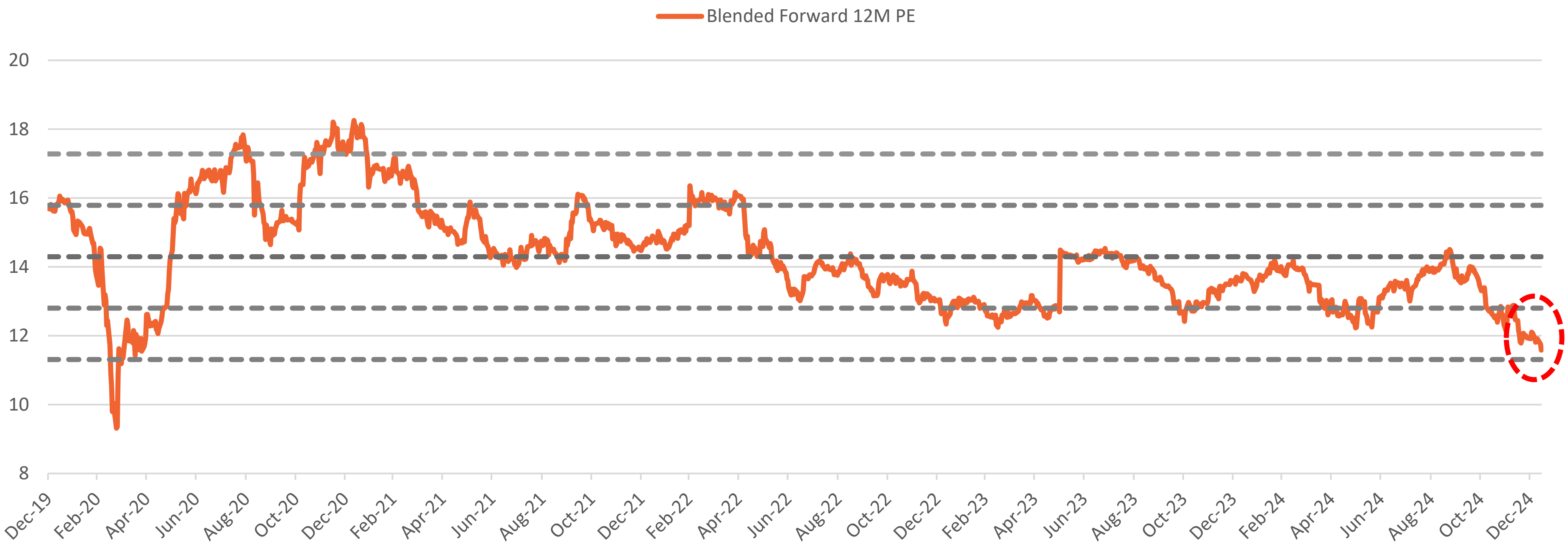
Source: Syailendra Research, Bloomberg

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

- IHSG mengalami penurunan valuasi yang cukup signifikan dalam dua bulan terakhir. Hal ini terlihat dari IHSG yang mencapai PE 11-12x, yang merupakan level PE -2 Std Dev dalam 5 tahun terakhir. Hal yang sama juga terjadi pada *peers* di kawasan ASEAN. Kami melihat *de-rating* valuasi ini turut dipengaruhi oleh tingginya tingkat suku bunga AS.

Foreign Equity Flows

JCI end-up having outflow in 4Q24

Monthly Data	India	Indonesia	Korea	Philippines	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
Apr-23	1,923	828	616	34	-2,553	-231	-56	562	618
May-23	5,008	109	3,114	-81	5,205	-967	-159	12,230	12,389
Jun-23	6,717	-293	-1,256	97	625	-263	-291	5,337	5,628
Jul-23	4,140	182	627	334	-2,994	-361	313	2,240	1,927
Aug-23	1,726	-1,319	-570	-131	-4,549	-443	31	-5,253	-5,285
Sep-23	-2,273	-263	-1,694	-464	-5,885	-616	143	-11,051	-11,195
Oct-23	-2,657	-511	-2,497	-171	-4,957	-431	-461	-11,684	-11,223
Nov-23	2,301	-30	3,257	19	8,361	-548	332	13,692	13,359
Dec-23	7,024	497	3,637	18	5,361	-2	56	16,591	16,535
Jan-24	-3,141	534	2,254	80	1,433	-870	145	435	290
Feb-24	483	646	6,120	129	3,390	82	277	11,125	10,849
Mar-24	4,016	506	3,816	-46	-93	-1,145	-609	6,444	7,053
May-24	-3,023	-881	-676	-174	2,708	-455	314	-2,186	-2,500
Jun-24	3,111	-92	3,821	-104	1,773	-950	-13	7,546	7,559
Jul-24	3,347	411	1,240	60	-11,562	-47	282	-6,269	-6,551
Aug-24	1,393	1,847	-2,078	143	-2,519	-170	587	-797	-1,384
Sep-24	5,944	1,418	-5,727	346	-3,642	867	110	-684	-794
Oct-24	-10,945	-719	-3,404	22	1,130	-845	-413	-15,173	-14,761
Nov-24	-2,680	-1,063	-3,203	-349	-8,045	-398	-699	-16,437	-15,739
Dec-24	1,321	-313	-1,530	-103	708	-308	-637	-863	-226
Jan-25	**-8,215**	**-248**	**-1,002**	**-124**	**-1,261**	**-330**	**-693**	**-11,873**	**-11,180**

Yearly	India	Indonesia	Korea	Philippines	Thailand	Malaysia	EM Asia ex. China	EM Asia ex-China ex-Malaysia	Japan
YTD	**-8,215**	**-248**	**-1,002**	**-124**	**-1,261**	**-330**	**-693**	**-11,873**	**-11,180**
2023	6,187	2,972	14,496	88	-4,871	-3,556	984	16,300	15,316
2023	21,427	-353	10,705	-863	6,933	-5,507	-514	31,827	32,341
2022	-15,392	4,058	-7,860	-1,029	-38,259	6,616	1,451	-50,416	-51,867
2021	3,761	3,674	-23,010	-5	-15,604	-1,632	-767	-33,582	-32,815
2020	23,373	-4,320	-20,082	-2,513	-15,257	-8,287	-5,782	-32,867	-27,085
2019	14,234	-1,306	924	-240	9,377	-1,496	-2,683	18,811	21,493
2018	-4,617	-3,656	-5,676	-1,080	-12,196	-8,913	-2,885	-39,024	-36,138

Source: Syailendra Research

Section

04

Appendix

Syailendra Benchmark View

rolling our macro and benchmark assumption for 2025F and 2026F

Syailendra Macro Indicator and Benchmark
In each unit

Desc	Unit	2024	Syailendra					
			2025F			2026F		
			Bear	Base	Bull	Bear	Base	Bull
Macro Indicator								
GDP Growth YoY	Average full year	5.0	5.00	5.10	5.20	5.10	5.20	5.30
Inflation YoY	Average full year	2.30	2.25	2.75	3.25	2.50	2.75	3.25
Fiscal Deficit (% of GDP)	End of year	-2.29	-2.95	-2.80	-2.65	-2.95	-2.80	-2.65
Current Account (% of GDP)	Average full year	-0.8	-1.50	-1.25	-1.00	-1.75	-1.25	-1.00
USDIDR	End of year	16,132	16,500	15,800	15,500	15,800	15,500	15,250
Rates								
Central Bank Rates Indonesia*	End of year	6.00	5.75	5.50	4.50	5.00	4.50	4.25
10 YR Govt Bond Yield IDR	Average full year	7.00	7.50	7.00	6.75	7.25	6.75	6.50
Equities								
JCI Headline	End of year	7,060	6,550	7,500	8,250	7,100	7,900	8,700
JCI Adj.	End of year	6,137	6,317	6,575	6,634	6,867	6,975	7,084
Earnings Growth*	End of year		5.00%	10.00%	12.50%	7.50%	10.00%	12.50%
P/E*	End of year		11.90	11.90	11.90	11.90	11.90	11.90

Source: Syailendra Research, Bloomberg

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