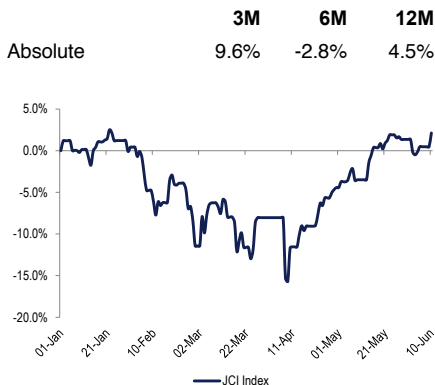


Indonesia Strategy

Strategy Update | 12 June 2025

JCI Performance



May25 flow: ANTM/BBRI was the bright spot; we expect inflow to continue

- JCI recorded Rp5.9tr of foreign inflow in May25; however on YTD basis foreign investors still recorded Rp29tr of outflow (on par with FY24).
- On stock level, BBRI, ANTM and BBCA recorded sizable inflow in May but only ANTM recorded positive inflow on YTD basis.
- We think the inflow will continue amid sizable outflow in first 4M25. We like BBRI, BMRI and MDKA.

Foreign inflow in May25 but overall 5M25 outflow of -Rp29tr is already comparable to FY24 outflow

JCI recorded Rp5.9tr of foreign inflow in May25; however, on YTD basis JCI still recorded an outflow of -Rp29tr which was already on par with FY24; and if we combined the outflow in FY24 and YTD25, total outflow of -Rp57tr (-0.5% of market cap) is already comparable in absolute terms to FY20 (Covid) at -Rp61tr (-1% of market cap) and FY15 (Yuan devaluation) at -Rp49tr (-1% of market cap).

ANTM, BBRI and BBCA were the biggest inflow in May25

May25 inflow was contributed by BBRI (+Rp4tr), ANTM (+Rp2.5tr) and BBCA (+Rp2.2tr) but was offset by outflow in ASII (-Rp1tr), CUAN (-Rp767bn) and ADRO (-Rp600bn). BRIS also recorded an inflow of Rp820bn in May25 before the news on Danantara's plan to take majority stake came out ([link](#)). We think the inflow to BBRI was making a lot of sense given that there is clarity of unchanged FY25 guidance and excitement of turnaround story ([link](#)). Inflow to BBCA was attributed to stellar 4M25 results (+17% yoy in bottom line) whereas ANTM was due to uptrend in gold price (+27% YTD) and stellar 1Q results ([link](#)). Worth noting ANTM is the best performing stock in our universe at +104% YTD at end May25.

What to expect in the upcoming months?

First, we think investors should primarily focus on earnings instead of noises and/or headline news. Banks' earnings will be the key focus and we don't think that 2Q results onwards shall miss consensus estimates (+3% yoy overall); this, in our view shall stabilize overall index. Second, we think improvement in liquidity is important for the economy and banks' margin which we hope shall transpire in 2H given the sizable maturity of SRBI (c.Rp628tr) and frontloading of government bond (c.Rp413tr in 4M25, the highest since 2021). Lastly, tail risk remains on the potential cabinet reshuffle especially on the important key economic ministries although this has been a speculation for quite some time and may have been priced-in by the market.

We continue to be positive with JCI with banks and commodities as our picks

We continue to like JCI especially with the current valuation of 11.3x P/E and 1.5x P/B vs. its 10Y average of 14.9x and 2.2x. Banks especially BBRI and BMRI are our top picks; we expect the former to benefit from low foreign ownership (the lowest in 6 years) and turnaround funding story, while the latter shall benefit from improving liquidity which we expect to materialize in 2H. We like certain commodities especially with bottom-up stories i.e. MDKA, AADI, ADRO. We are cautious on overall consumer given that earnings expectation remained elevated i.e. +16% for retailers despite -10% YTD consensus revision and +22% for staples despite -4% YTD consensus revision.

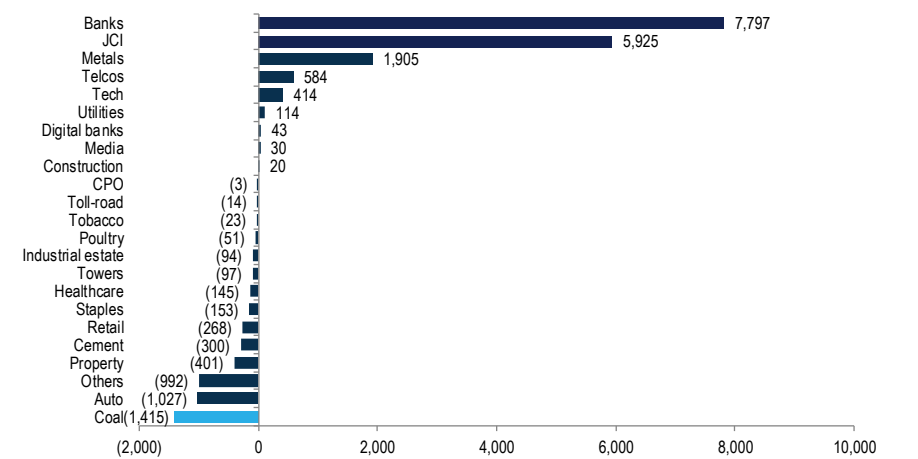
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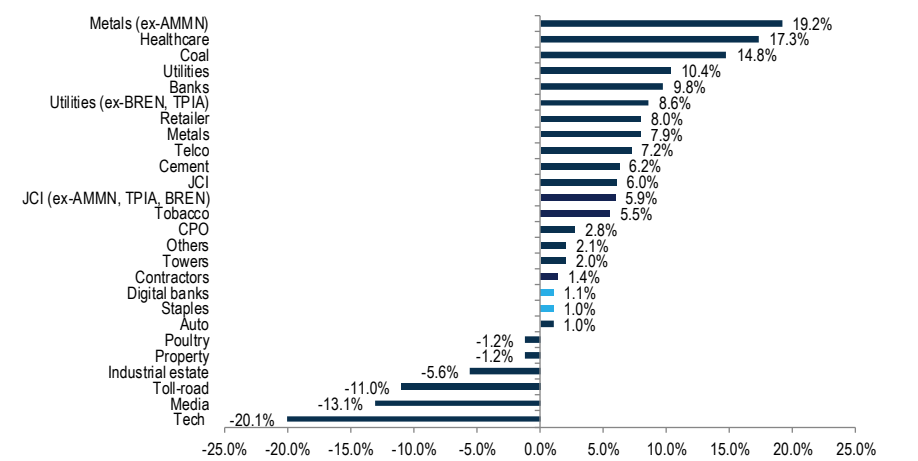
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Fig. 1: May25 foreign net flow (RG+TN) – in Rp bn



Source: Indo Premier

Fig. 2: May25 stock performance



Source: Indo Premier

Fig. 3: May25 top 15 foreign inflow

MoM	Foreign flow (Rp bn)	Stock perf.	Changes in local fund weight (bp)	Changes in foreign fund weight (bp)
BBRI	3,950	16%	105	124
ANTM	2,509	43%	13	32
BBCA	2,174	7%	(9)	0
BRIS	820	5%	(22)	7
BMRI	709	8%	43	(2)
GOTO	431	-25%	(94)	(37)
TLKM	319	7%	11	1
TPIA	229	18%	3	6
AADI	221	7%	(13)	1
RATU	179	9%	1	0
ISAT	155	19%	1	9
INDF	148	-2%	(18)	(10)
BRMS	140	2%	(8)	(3)
ERAA	122	20%	2	1
CPIN	122	2%	(5)	(3)

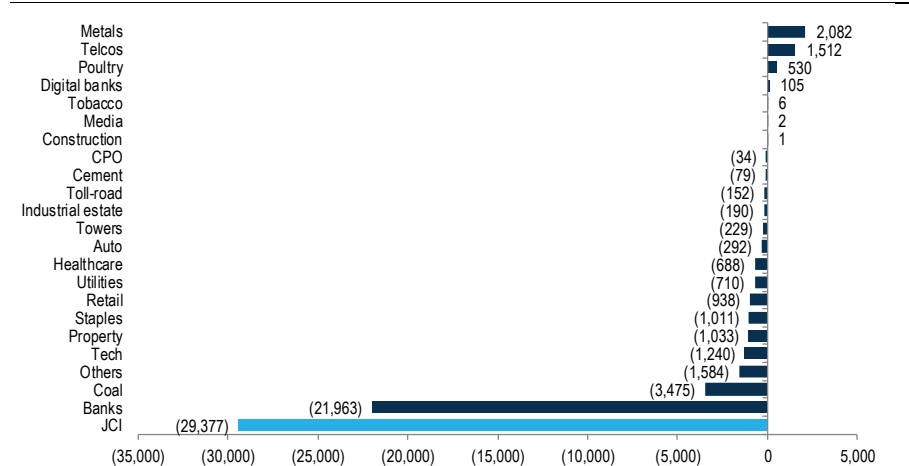
Source: Indo Premier

Fig. 4: May25 top 15 foreign outflow

MoM	Foreign flow (Rp bn)	Stock perf.	Changes in local fund weight (bp)	Changes in foreign fund weight (bp)
ASII	(1,027)	1%	(14)	(32)
CUAN	(767)	60%	3	2
ADRO	(595)	16%	(4)	1
PNLF	(482)	-24%	(3)	(2)
AMMN	(317)	-3%	(6)	(13)
MBMA	(295)	16%	3	(0)
PNBN	(205)	-25%	(8)	(2)
TINS	(202)	0%	(0)	(1)
BUMI	(198)	10%	5	0
SMRA	(175)	-6%	(3)	(1)
INTP	(175)	5%	4	(3)
JPFA	(173)	-12%	(4)	(6)
PGEO	(135)	48%	4	(0)
INKP	(129)	25%	11	2
SMGR	(126)	8%	2	(1)

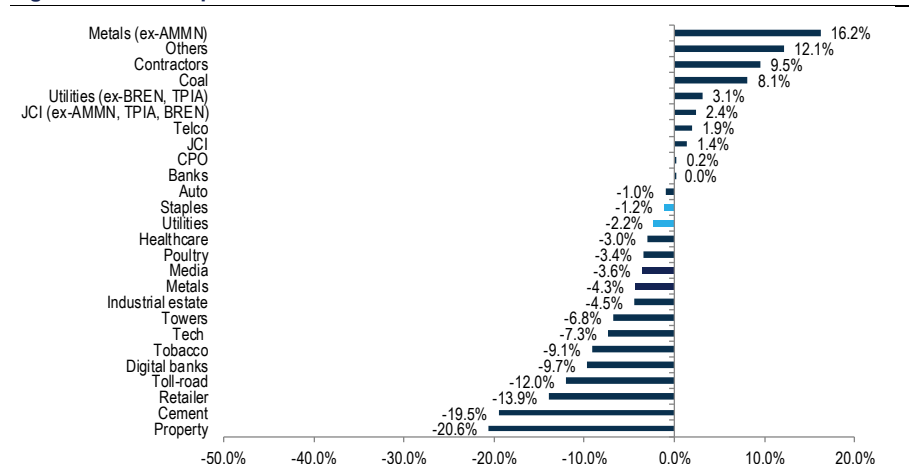
Source: Indo Premier

Fig. 5: 5M25 foreign net flow (RG+TN) – in Rp bn



Source: Indo Premier

Fig. 6: 5M25 stock performance



Source: Indo Premier

Fig. 7: 5M25 top 15 foreign inflow

YTD	Foreign flow (Rp bn)	Stock perf.	Changes in local fund weight (bp)	Changes in foreign fund weight (bp)
ANTM	4,363	104%	59	56
TLKM	827	4%	21	66
BRIS	797	10%	(3)	20
INDF	674	2%	4	14
RATU	601	NA	1	0
AADI	565	-15%	(44)	4
EXCL	524	36%	(46)	(0)
CPIN	375	2%	(10)	4
BULL	305	-3%	(0)	0
ITMA	279	20%	(0)	0
DSSA	272	46%	1	3
BIPI	259	-9%	1	(0)
BTPS	190	40%	3	4
TPIA	185	24%	7	15
OASA	184	-1%	0	0

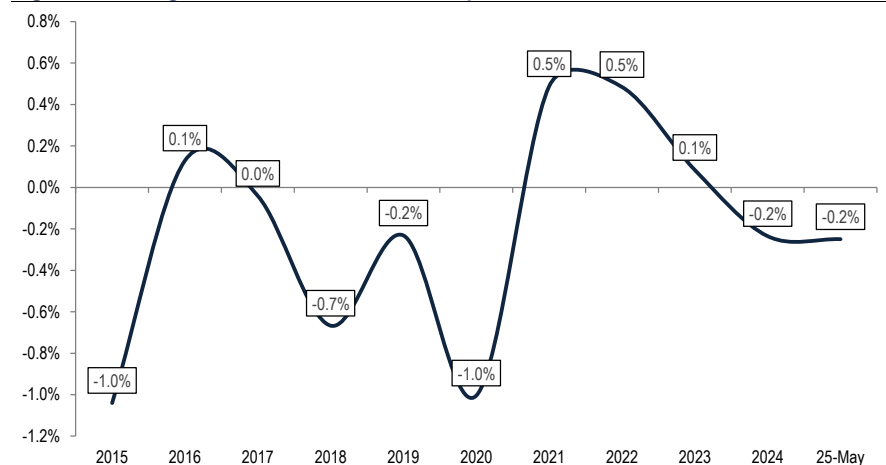
Source: Indo Premier

Fig. 8: 5M25 top 15 foreign outflow

YTD	Foreign flow (Rp bn)	Stock perf.	Changes in local fund weight (bp)	Changes in foreign fund weight (bp)
BMRI	(8,931)	-7%	68	(135)
BBCA	(8,886)	-3%	(7)	47
BBNI	(3,455)	3%	95	5
ADRO	(1,533)	-9%	(34)	(13)
BBRI	(1,469)	9%	118	221
MDKA	(1,404)	25%	48	(6)
CUAN	(1,113)	2%	(0)	1
PTRO	(970)	12%	2	1
GOTO	(893)	-9%	2	6
KLBF	(880)	11%	33	5
INKP	(820)	-6%	2	(5)
PNLF	(640)	-32%	(4)	(2)
UNTR	(598)	-16%	(61)	(22)
ITMG	(568)	-15%	(6)	(7)
MAPI	(521)	-8%	34	(4)

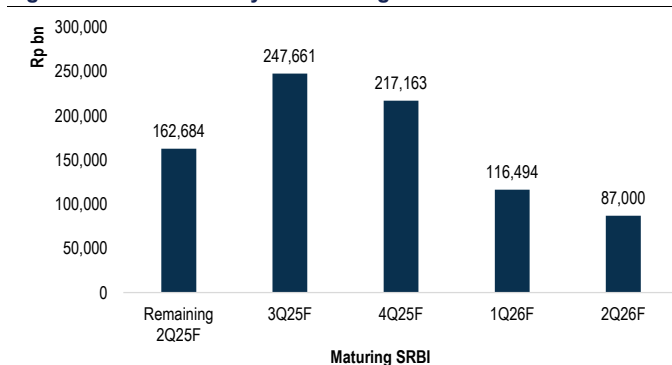
Source: Indo Premier

Fig. 9: Net foreign flow as % of JCI market cap



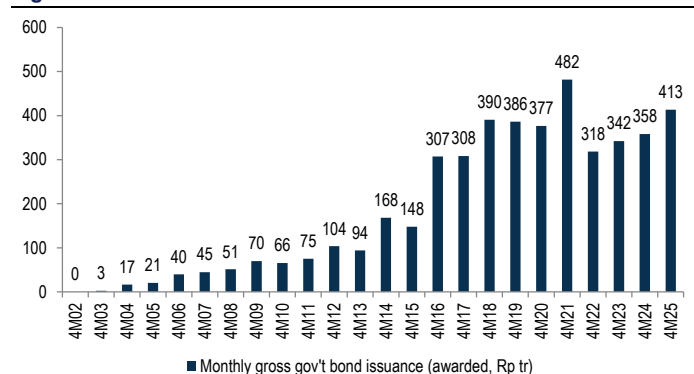
Source: Bloomberg, Indo Premier

Fig. 10: SRBI 2H maturity outstanding



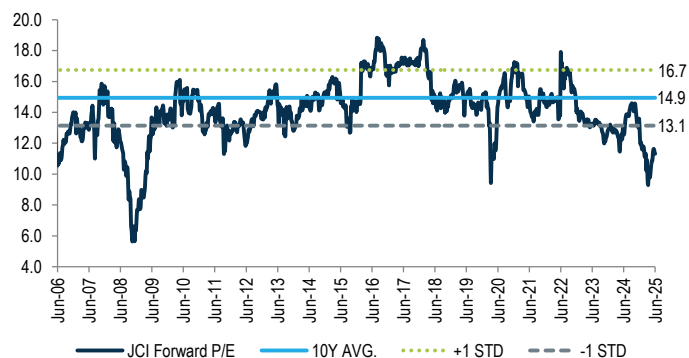
Source: Bloomberg, Indo Premier

Fig. 11: Government bond issuance trend



Source: Bloomberg, Indo Premier

Fig. 12: JCI forward P/E – now trading at 11.3x FY25F P/E vs. 10-year average of 14.9x P/E



Source: Bloomberg, Indo Premier

Fig. 13: JCI forward P/BV – now trading at 1.5x FY25F P/BV vs. 10-year average of 2.2x P/BV



Source: Bloomberg, Indo Premier

SECTOR RATINGS

- OVERWEIGHT** : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL** : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT** : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

COMPANY RATINGS

- BUY** : Expected total return of 10% or more within a 12-month period
- HOLD** : Expected total return between -10% and 10% within a 12-month period
- SELL** : Expected total return of -10% or worse within a 12-month period

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