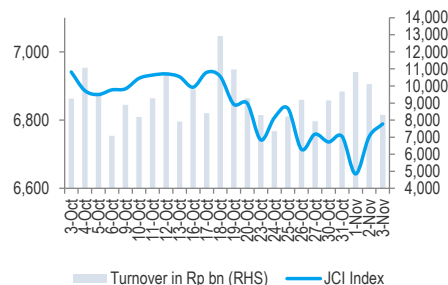
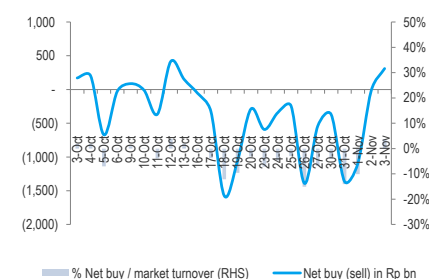


06 November 2023

JCI Index



Foreign Net Buy (Sell)



Key Indexes

Index	Closing	1 day	1 year	YTD
JCI	6,789	0.6%	-3.6%	-0.9%
LQ45	904	0.6%	-10.1%	-3.5%
DJI	34,061	0.7%	5.1%	2.8%
SET	3,157	0.4%	0.9%	-2.9%
HSI	1,420	1.1%	-12.7%	-14.9%
NKY	17,664	2.5%	9.3%	-10.7%
FTSE	31,950	1.1%	15.5%	25.3%
FSSTI	7,418	-0.4%	1.1%	-0.5%
EIDO	21	3.0%	-10.0%	-4.7%

Commodity Price

Commodities (in USD)	Last price	Ret 1 day	Ret 1 year
Oil/barrel (WTI)	80.9	0.4%	-12.7%
CPO/tonne	775.4	-0.7%	-12.5%
Soy/bushel	13.3	0.5%	-8.1%
Rubber/kg	1.5	1.1%	20.5%
Nickel/tonne	17,985	1.3%	-20.8%
Tins/tonne	24,110	1.5%	34.6%
Copper/tonne	8,096	0.4%	6.6%
Gold/try.oz (Spot)	1,993	0.3%	18.9%
Coal/tonne	122.5	2.1%	-65.1%
Corn/bushel	4.8	0.1%	-29.8%
Wheat/bushel*	5.7	-0.3%	-32.7%

\*: 1 month change

Source: Bloomberg

## Telcos: Gauging the potential impact of higher rates and weaker Rupiah

- Higher rates and stronger US\$ could pose downside risks to earnings.
- EXCL, ISAT, MTEL, and TOWR are more vulnerable to rising rates. All else equal, for every 25bps hike may result in 0.7-1.5% EPS downside.
- That said, high rate and looming 5G cycle may incentivize telcos to continue to monetize, while towers' gearings are also likely to remain in check amidst a more-limited inorganic opportunities. Reaffirm OW.

[Link to full report](#)

## Today's highlights

### MIDI to inject Rp70bn into Lawson

Midi Utama Indonesia (MIDI) to inject Rp70bn to PT Lancar Wiguna Sejahtera (Lawson) which Lawson did a rise fund as much as Rp100bn. To note, the capital injection is accordance with Lawson' ownership as MIDI owns 70% Lawson. (Investor Daily)

### Disruptions to factory operations have caused a further loss for KRAS from 3Q23 earnings

Krakatau Steel (KRAS) has experienced deeper loss in 3Q23 due to disruption to its Hot Strip Mill 1, as it stopped production due to a fault in its switch house finishing mill. Its 9M23 gross margin reached US\$106.8mn (-44.1% yoy), resulting in a loss of US\$61.4mn. On top of the operational loss, KRAS also had to bare a burden of interest payments of US\$96.7mn and an FX loss of US\$1.1mn. (Bisnis Indonesia)

### BI recorded foreign inflows at Rp2.83tr

Bank Indonesia recorded foreign inflows at Rp2.83tr in the period of 30Oct-2Nov23, coming from bond markets at Rp4.1tr and SRBI at Rp1.6tr. Meanwhile, equity markets recorded an outflow of Rp2.84tr. (Investor Daily)

### AVIA to build new factory in Sidoarjo

Avia Avian (AVIA) budgets Rp750bn capex to build a new factory with a capacity of 225ktpa in Cirebon. The new factory is expected to start operating in 2025 with initial capacity of 100ktpa. Post completion, management also plans to renovate its existing 11ha factory in Sidoarjo. (Bisnis Indonesia)

## **ANALYSTS CERTIFICATION**

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

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