

# Indonesia Morning Cuppa

Top Regional Research	Thematics / Ground Checks
<p><b>Market Strategy</b>            ASEAN Investment Conference 2025            Regional Thematic Research            Connecting Capital, Unlocking Opportunities and Driving Sustainability. The ASEAN Investors Conference 2025 (AIC25) was successfully held over 8-9 Apr focusing on ideas, partnerships and strategies to foster growth and unlock sustainable investment opportunities. Hosted by the Securities Commission Malaysia and its strategic partners and attended by at least 1,382 participants that engaged in a packed agenda headlined by a keynote address by Prime Minister Dato' Seri Anwar Ibrahim, numerous panel discussions culminating in a series of breakout sessions with 12 corporates from across ASEAN.            Analysts: Alexander Chia +603 2302 8119, Andrey Wijaya +6221 5093 9846, Singapore Research (<a href="mailto:research.sg.equity@rhbgroup.com">research.sg.equity@rhbgroup.com</a>)            Today's Report: <a href="#">Market Strategy : ASEAN Investment Conference 2025 (11 Apr 2025)</a>            Previous Report: N/A</p>	<ul style="list-style-type: none"> <li>♦ <a href="#">Regional Oil &amp; Gas : From Fossil To Future</a></li> <li>♦ <a href="#">Indonesia Consumer Thematic : Investing In Generation Alpha</a></li> <li>♦ <a href="#">Consumer Products : Net Zero In a Consumer World</a></li> <li>♦ <a href="#">Indonesia Thematic : Indonesia's Nickel Rush - Fuelling The EV Boom</a></li> <li>♦ <a href="#">Medical Tourism In ASEAN : Connecting Wellness And Tourism</a></li> <li>♦ <a href="#">Japfa Comfeed : Site Visit: Strengthening Its Downstream Operations</a></li> <li>♦ <a href="#">Plantation : At The Crossroads</a></li> <li>♦ <a href="#">Indonesia Consumer, Banks, Tobacco, Poultry: Highlights Of Our Visit To Jakarta Fair</a></li> <li>♦ <a href="#">Net Zero Transportation : Transitioning Towards Low-Carbon Transport</a></li> <li>♦ <a href="#">RHB Top 20 Indonesia Small Cap Companies Jewels 2024</a></li> <li>♦ <a href="#">Charoen Pokphand Indonesia : KTAs From Feedmill Visit: Pillar Of Profitability</a></li> <li>♦ <a href="#">Auto &amp; Autoparts : ASEAN In The EV Supply Chain</a></li> <li>♦ <a href="#">Telecommunications : The Road To NZE</a></li> <li>♦ <a href="#">Plantation : EUDR Unveiled: Bridging The Regulatory Gap</a></li> <li>♦ <a href="#">Aging ASEAN : All That Glitters In The Silver Economy</a></li> <li>♦ <a href="#">Erajaya Swasembada : KTAs From Site Visit: Innovate To Elevate: Stay BUY</a></li> <li>♦ <a href="#">IKN : Investment Prospects And Its Challenges</a></li> <li>♦ <a href="#">Indonesia Telecommunications : XL Axiata's Turn To Increase Prices: Stay O/W</a></li> </ul>
Other Story & Regional Research	Recent Stories
<p><b>Plantation (OVERWEIGHT)</b>            Tariffs Equal Volatility; OVERWEIGHT            Regional Sector Update            Analysts: Hoe Lee Leng +603 2302 8110, Singapore Research (<a href="mailto:research.sg.equity@rhbgroup.com">research.sg.equity@rhbgroup.com</a>), Indonesia Research +6221 5093 9888            Today's Report: <a href="#">Plantation : Tariffs Equal Volatility; OVERWEIGHT (11 Apr 2025)</a>            Previous Report: <a href="#">Plantation : B40 Fully Funded If Gasoil Stays Above USD57/bbl (25 Mar 2025)</a></p> <p><b>Semen Indonesia (SMGR IJ, NEUTRAL, TP: IDR2,900)</b>            Outlook Still Gloomy            Company Update            Analyst: Indonesia Research +6221 5093 9888            Today's Report: <a href="#">Semen Indonesia : Outlook Still Gloomy (11 Apr 2025)</a>            Previous Report: <a href="#">Semen Indonesia : Dim Long-Term Prospects; D/G To NEUTRAL (30 Jan 2025)</a></p>	<p><a href="#">Indonesia Morning Cuppa 10 April 2025</a>  <a href="#">Aneka Tambang : Staying Optimistic In a Volatile Market: Keep BUY</a></p> <p><a href="#">Indonesia Morning Cuppa 9 April 2025</a>  <a href="#">Perusahaan Gas Negara : Rebound Expected With a Stronger 1Q25F: BUY</a></p> <p><a href="#">Indonesia Morning Cuppa 8 April 2025</a>  <a href="#">Bank Tabungan Negara : Shariah Expansion, Leadership Reshuffle: BUY</a></p> <p><a href="#">Indonesia Morning Cuppa 27 March 2025</a>  <a href="#">Bank Negara Indonesia : Attractive Valuation And Dividend Yield: Stay BUY</a></p> <p><a href="#">Indonesia Morning Cuppa 26 March 2025</a>  <a href="#">Bank Mandiri : Positive Outcome From AGM: Stay BUY</a></p>

## Bulletin

STOCK/SECTOR	NEWS	COMMENT	RATING
Bank Tabungan Negara (BBTN IJ)	Bank Tabungan Negara (BBTN) has entered into a strategic partnership with Qatar's AlQilaa International Group to construct 100,000 housing units under Indonesia's massive three-million-home initiative. The collaboration brings in a substantial investment of IDR33.78trn (approximately USD2.3bn). ( <i>Bisnis Indonesia</i> )	<p>This joint effort is set to significantly support BBTN's mortgage loan growth, especially in funding construction of high-rise residential projects. While the Qatari partner will help finance the development phase, BBTN will provide mortgage support for end buyers – primarily targeting homes and flats priced c.IDR300m, which aligns with its core customer segment. The initiative is part of a broader push to reduce Indonesia's housing deficit, focusing on affordability for low-to-middle income families.</p> <p>With this synergistic alliance, we reiterate our rating on BBTN. We expect the deal to strengthen its lending portfolio and drive future performance. Refer to our <a href="#">latest report</a> for further information.</p>	BUY, TP: IDR1,310

## Top BUYs

	TP (IDR)	Upside (%)	Catalysts
<b>Bank Syariah Indonesia (BRIS IJ)</b>	3,500	49.6	<ul style="list-style-type: none"> <li>BRIS stands to gain from growing <i>shariah</i>-compliant financial services demand, leveraging on its vast branch network, government support, and product offerings to promote financial inclusion</li> <li>Pushing innovation via its BYOND super app and social finance initiatives, BRIS enhances accessibility and aligns with customer values</li> <li>Strategic efforts boost profitability, while improved asset quality and ESG-driven valuation positions it for sustainable growth and continued segment leadership</li> </ul>
<b>Sumber Alfaria Trijaya (AMRT IJ)</b>	3,800	65.9	<ul style="list-style-type: none"> <li>We remain optimistic on AMRT's long-term outlook, given its resilient business model</li> <li>Its dominance in the minimarket business and initiatives to enhance margins should sustain its growth</li> <li>Store customer traffic at 15% below pre-pandemic levels offers upside potential, in our view</li> </ul>
<b>Bank Mandiri (BMRI IJ)</b>	5,880	13.1	<ul style="list-style-type: none"> <li>Solid 3Q24 net profit was supported by higher non-II and lower provisions</li> <li>NIM continued to expand QoQ on a consolidated basis, but saw a contraction at bank-only level due to higher funding costs</li> <li>Loan demand remains robust across both wholesale and commercial segments, and asset quality continues to hold up with improved loans at risk (LAR) and NPL ratios</li> <li>We believe the recent ROE expansion is structural and can be sustained, which underpins our optimism for the stock</li> </ul>
<b>Indofood CBP (ICBP IJ)</b>	14,200	39.6	<ul style="list-style-type: none"> <li>We like the company, given the solid growth of its noodle business as well as the recovery of its dairy arm</li> <li>This would be supported by the fact that its products are not vulnerable to a decline in consumer buying power situation, while the Pinehill business should benefit from positive seasonal factors, especially in 4Q24</li> <li>ICBP should also benefit from the appreciation of the IDR vs the USD</li> <li>Despite concern on the potential increase in CPO price, we deem ICBP has solid position to pass on the price increase</li> </ul>
<b>Mastersystem Infotama (MSTI IJ)</b>	1,800	31.4	<ul style="list-style-type: none"> <li>The implementation of Law No 27 of 2022 on Personal Data Protection (PDP Law) is expected to boost MSTI's prospects. Following the enactment of the PDP Law on data privacy protection and the push for upgrading IT infrastructure, Indonesia's financial services sector is allocating a larger budget for IT spending. Bank Mandiri has set a budget of IDR3trn (+20% YoY) to upgrade its digital infrastructure, while Bank Central Asia allocated IDR8trn for IT innovation</li> <li>This year, the collaboration with Lintasarta and Nvidia on the GPU Merdeka project becomes MSTI's new revenue stream which we believe will continue for years to come. We estimate MSTI's 2025 revenue to grow 12% YoY</li> <li>Partnerships with prominent global IT companies likely to boost 2024F-2025F net income at +33% YoY and +13% YoY. Utilising International Data Corporation's (IDC) forecast from 2024 to 2027, we expect Indonesia's IT spending at a CAGR of 6%. With a stable net margin of c.11%, net income could potentially grow to IDR597bn (+33% YoY) for 2024F and IDR676bn (13% YoY) in 2025F</li> </ul>

## RHB Guide to Investment Ratings

<b>Buy:</b>	Share price may exceed 10% over the next 12 months
<b>Trading Buy:</b>	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
<b>Neutral:</b>	Share price may fall within the range of +/- 10% over the next 12 months
<b>Take Profit:</b>	Target price has been attained. Look to accumulate at lower levels
<b>Sell:</b>	Share price may fall by more than 10% over the next 12 months
<b>Not Rated:</b>	Stock is not within regular research coverage

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