

Key Index

	Close	Chg (%)	Ytd (%)	Vol (m)
ASEAN				
Indonesia	6,924	-1.1	1.1	21,166
Thailand	1,494	-0.9	-10.5	4,127
Philippines	6,264	1.5	-4.6	117
Malaysia	1,446	0.1	-3.3	88
Singapore	3,215	0.0	-1.1	402
Global				
China	3,102	-0.4	0.4	21,359
Hongkong	17,467	-1.5	-11.7	1,909
S&P 500	4,274	-1.5	11.3	520
Nasdaq	13,064	-1.6	24.8	767
Dow Jones	33,619	-1.1	1.4	65

Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
IDR	15,400	-0.7	-1.3	1
7DRRR (%) - date	5.75	-	-	4.55
Govt Bond 2 yrs	6.37	0.44	0.03	4.81
Govt Bond 5 yrs	6.49	1.36	2.20	4.66
Govt Bond 10 yrs	6.86	1.49	5.24	(1.10)

Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Coal	US\$/ton	160	0.2	7.3	(63)
Gold	US\$/toz	1,902	0.0	-0.5	17
Nickel	US\$/mt. ton	18,935	-1.3	-9.4	(15)
Tin	US\$/mt. ton	25,771	0.4	1.7	29

Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Cocoa	US\$/mt. ton	3,496	0.1	1.0	58
Corn	US\$/mt. ton	481	-0.3	1.9	(28)
Crude Oil	US\$/barrel	90	0.2	13.4	15
Palm Oil	MYR/mt. ton	3,618	-0.6	-6.8	4
Rubber	US\$/kg	142	-1.2	4.6	5
Coffe	US\$/60 kg bags	149	1.4	-0.6	(33)
Soybean	Usc/lbs	1,298	0.4	-5.7	(8)
Sugar	US\$/MT	26	-1.1	4.8	42
Wheat	US\$/mt. ton	589	0.0	-0.7	(31)

Focus

Market Watch: Carbon credit, a new commodity

Carbon credit has become a valuable commodity with a sizeable market, driven by increasing regulatory and stakeholder pressure on global corporations to reduce their carbon emissions. Indonesia has now joined the carbon trading bandwagon, with IDX starting Indonesia's carbon market. Indonesia has many potential buyers, while some sectors can become carbon credit sellers, such as geothermal energy, hydropower plants, forestry, and waste management companies.

Daily News

- **E-commerce: Government imposes USD 100 price floor for imported goods sold in e-commerce**

The government is imposing a minimum price of USD 100 for transactions involving imported goods on online marketplaces under a regulation to safeguard the interests of local micro, small, and medium-sized enterprises. The regulation, issued by the trade minister, also includes provisions to limit the involvement of social media platforms like TikTok in e-commerce activities within their apps. Trade Minister said imported goods traded on e-commerce platforms must be treated on par with those sold in physical stores and be subject to Indonesian taxes. (Jakarta Globe)

What we think: The regulation will give opportunities for e-commerce sellers to become intermediaries for imported products with a price below USD 100. On the TikTok ban, the regulation should apply to other social media equally.

- **GIAA sees spike in passenger traffic**

Garuda Indonesia (GIAA) sees that the trend of increasing passenger traffic will continue this year. Flight ticket orders for the incoming Christmas and New Year season targeted will start to kick in in early 4Q23. Events such as MotoGP Mandalika in Oct 2023 will also increase the flight frequency to Lombok. (Kontan)

What we think: 6M23's passenger volume of 9.1M (+38.9% yoy) only achieves 37% of the company's target this year. Thus, we see the company has already expected a significant jump in the second semester this year from the beginning.

- **HEXA approved the distribution of cash dividends to shareholders of US\$ 41.29M**

Director of Hexindo Adiperkasa (HEXA) Yoshendri stated that the HEXA AGMS had approved the use of net profit for the financial year ending 31 Mar 23 of US\$ 51.62M. The company will distribute cash dividends of US\$ 41.29M or translate to an 80% payout ratio. The dividend that will be distributed to each shareholder is USD 0.049162 per share. This cash dividend will be paid on 27 Oct 23. (Kontan)

What we think: Assuming an exchange rate of IDR 15,500 per USD, HEXA shareholders will receive an IDR762 dividend per share (DPS). HEXA's DPS is 6% lower than the previous year; however, the dividend yield will still be attractive at 11.5%, based on the last closing price of IDR 6,650.



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Recommendation ratings

Rating	Buy	Hold	Sell
Classification	$\geq 10\%$	$> -10\%$ or $< 10\%$	$\leq -10\%$

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