

Key Index

	Close	Chg (%)	Ytd (%)	Vol (m)
ASEAN				
Indonesia	6,940	0.0	1.3	16,193
Thailand	1,471	-0.7	-11.8	3,534
Philippines	6,321	-1.0	-3.7	154
Malaysia	1,424	-1.1	-4.8	170
Singapore	3,217	0.3	-1.0	645
Global				
China	3,110	0.1	0.7	22,763
Hongkong	17,810	2.5	-10.0	1,840
S&P 500	4,288	-0.3	11.7	736
Nasdaq	13,219	0.1	26.3	1,019
Dow Jones	33,508	-0.5	1.1	107

Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
IDR	15,520	-0.5	-1.3	1
7DRRR (%) - date	5.75	-	-	4.55
Govt Bond 2 yrs	6.43	1.36	1.37	5.76
Govt Bond 5 yrs	6.57	2.53	4.24	5.87
Govt Bond 10 yrs	6.91	2.23	8.35	(0.38)

Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Coal	US\$/ton	161	-3.0	-2.0	(64)
Gold	US\$/toz	1,860	-0.7	-4.6	11
Nickel	US\$/mt. ton	18,691	-1.0	-9.8	(17)
Tin	US\$/mt. ton	25,129	-5.6	-6.3	19

Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Cocoa	US\$/mt. ton	3,459	-1.2	-4.7	50
Corn	US\$/mt. ton	489	-2.4	1.5	(29)
Crude Oil	US\$/barrel	91	0.3	6.5	15
Palm Oil	MYR/mt. ton	3,678	0.3	-2.9	13
Rubber	US\$/kg	140	1.5	5.3	4
Coffe	US\$/60 kg bags	147	-0.7	-3.4	(35)
Soybean	Usc/lbs	1,301	-2.0	-7.7	(10)
Sugar	US\$/MT	27	-1.8	4.0	44
Wheat	US\$/mt. ton	579	-6.4	-5.0	(40)

Focus

MDKA: Hurt by nickel slump & other expenses

MDKA booked an EBITDA of USD 31M in 2Q23 (-29.1% qoq), lower than our estimate, mainly due to the higher-than-expected other expenses. Even though TB and Wetar projects showed solid numbers (mainly thanks to better sales volume), its nickel project suffered due to the nickel price slump. We maintain our Buy recommendation with an unchanged TP of IDR 4,230, as we expect the jump in other expenses to be 'one-off'

Daily News

- Economy: PMI continued to expand in Sep 23**

The headline seasonally adjusted S&P Global Indonesia PMI's fell from 53.9 in Aug to 52.3 in Sep 23, on the back of easing new orders, although it remained solid. New export orders continued to rise at a slightly faster pace in Sep. The increase in production was also driven by a sustained improvement in vendor performance. Average input costs continued to increase in Sep 23, and at the quickest pace since April. Manufacturers opted to pass on their higher costs to their clients partly. Overall business sentiment across the manufacturing sector improved in Sep. (S&P)

What we think: Sep 23 PMI showed that the manufacturers continued to expand despite moderating growth. Going forward, we should anticipate a rising input and financial cost, indicating rising inflationary pressure.

- Energy: New oil and gas bill to replace SKK Migas**

The House of Representatives has resurrected a long-awaited amendment to the decades-old 2001 Oil and Gas Law, which includes a major change to alter the function of the industry regulator. The Upstream Oil and Gas Regulatory Special Task Force (SKK Migas) will be replaced with the Special Oil and Gas Business Entity (BUK Migas). The bill also allows the new body to own a participating interest in oil and gas blocks and to sell oil and gas products as part of its production sharing contract (PSC). This arrangement is not possible under the current law. (Kontan)

What we think: The new bill that allows BUK Migas to participate in the investment is expected to increase the investment climate in the O&G sector as it should improve the law certainty.

- Infrastructure: KCJB officially operates starting 2 Oct 23**

The Ministry of Transportation (Kemenhub) has issued a permit to operate public railway facilities for the Jakarta-Bandung Fast Train (KCJB). Thus, the KCJB or Whoosh Indonesia Fast Train, planned to be inaugurated on Monday (2 Oct 23) by President Joko Widodo, has fulfilled operational feasibility aspects. The fee will also be announced, probably at IDR 250,000. (Bisnis Indonesia)

What we think: KCJB ticket price is not much higher than Argo Parahyangan train executive class at around IDR 200K per trip from Jakarta (Gambir) to Bandung. In comparison, KCJB offers a faster travel time, although it needs transit to reach downtown. KCJB may attract executive passengers of KRL and business people with time consideration. However, the impact of high-speed trains should be more significant if the route is continued to Surabaya in the future.

- DOID recorded 1H23 net profit of USD4.9M**

Delta Dunia Makmur (DOID) booked 1H23 net revenues and net profit of USD857M (+18.6% yoy) and USD4.9M (-13.0% yoy), respectively. (DOID, Aldiracita)

What we think: The company posted robust 2Q23 results such as higher revenues by 9.5% qoq to USD448M with overburden removal of 151.9M bcm (+13.0% qoq) and 20.3M tons (-5.5% qoq) of coal production. 1Q23's net loss also has turned to net profit of USD6M in 2Q23.

- **TMAS established a new subsidiary in energy transportation**

Temas (TMAS) established a new subsidiary on 25 Sep 2023, namely Temas Energy, to develop the company's energy transportation and procurement business. In terms of shareholder composition, TMAS holds 99% of the shares in Temas Energy, while Temas Shipping owns 1% of the shares. The authorized capital is IDR 1B, while the issued is IDR 300M. (Bisnis Indonesia)

What we think: TMAS is engaged in the transportation business, specifically marine transportation services that deliver containerized goods, such as basic needs, cement, vehicles, building materials, electronics, foods and beverages, drugs, and other cargo packed and loaded into containers. The company sought to diversify into transporting mineral commodities and liquefied natural gas (LNG), confident in its mid-to-long-term prospects with the increasing number of smelters built in Indonesia.



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Recommendation ratings

Rating	Buy	Hold	Sell
Classification	≥10%	> -10% or < 10%	≤-10%

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