

Key Index				
	Close	Chg (%)	Ytd (%)	Vol (m)
ASEAN				
Indonesia	6,961	0.3	1.6	15,486
Thailand	1,469	-0.1	-11.9	3,279
Philippines	6,305	-0.3	-4.0	69
Malaysia	1,419	-0.4	-5.1	77
Singapore	3,209	-0.3	-1.3	486
Global				
China	3,110	0.1	0.7	22,763
Hongkong	17,810	2.5	-10.0	1,840
S&P 500	4,288	0.0	11.7	736
Nasdaq	13,308	0.7	27.1	1,020
Dow Jones	33,433	-0.2	0.9	107

Currency and Interest Rate				
	Rate	w-w (%)	m-m (%)	ytd (%)
IDR	15,455	-0.5	-1.9	0
7DRRR (%) - date	5.75	-	-	4.55
Govt Bond 2 yrs	6.40	-0.45	2.25	5.28
Govt Bond 5 yrs	6.64	1.16	7.89	7.09
Govt Bond 10 yrs	6.99	1.14	9.47	0.76

Hard Commodities					
	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Coal	US\$/ton	156	-1.2	-1.1	(64)
Gold	US\$/toz	1,830	-0.3	-6.3	8
Nickel	US\$/mt. ton	18,497	0.2	-11.4	(12)
Tin	US\$/mt. ton	23,724	-2.0	-9.3	16

Soft Commodities					
	Unit	Price	d-d (%)	m-m (%)	y-y (%)
Cocoa	US\$/mt. ton	3,418	2.5	-2.9	52
Corn	US\$/mt. ton	477	2.5	5.2	(28)
Crude Oil	US\$/barrel	89	-0.4	3.4	6
Palm Oil	MYR/mt. ton	3,689	-1.2	-6.8	10
Rubber	US\$/kg	142	0.0	2.9	5
Coffe	US\$/60 kg bags	146	2.0	-1.2	(33)
Soybean	Usc/lbs	1,275	0.2	-5.8	(6)
Sugar	US\$/MT	26	-0.5	2.1	43
Wheat	US\$/mt. ton	542	4.3	-0.5	(39)

Focus

Strategy: Waiting for the coming election spending

Sep 23 inflation declined to 2.28% yoy (Aug: 3.27%), but in mom term, it went up to 0.19% (Aug: -0.02%), mainly due to fuel and rice price hikes. Meanwhile, Indonesia's PMI still expanded in September, albeit at a slower rate, suggesting weak domestic demand. The strong inflationary pressure, especially on rice and fuel, may lead to a slow purchasing power recovery; however, conditions should improve once the election spending effect kicks in. From our coverage, our top picks are BMRI, EXCL, ICBP, JPFA, and MTEL.

Daily News

• Energy: Eni boosts Indonesia exposure with big gas discovery

Italian energy group Eni announced a big gas discovery in Indonesia. The group said the discovery was from the Geng North-1 exploration well drilled in the North Ganai PSC, about 85 kilometers off the coast of East Kalimantan. Preliminary estimates indicated a total discovered volume of 5 trillion cubic feet (tcf) of gas, equal to about 140 billion cubic meters, with an estimated condensate content up to 400 million barrels. The ongoing exploration campaign is in line with Eni's strategy to shift its portfolio mix towards gas and liquefied natural gas (LNG), targeting 60% in 2030. (Kontan)

What we think: The gas discovery is positive for Indonesia as more discovery of O&G is expected in the area. The Geng North discovery is adjacent to the Indonesia Deepwater Development (IDD) area, which includes several discoveries for which Eni recently announced the acquisition of Chevron's interests.

• Gojek launch GoRide Transit

Gojek Tokopedia (GOTO) has recently launched a new feature on Gojek, namely GoRide Transit, a multimodal service solution that integrates ride-hailing and public transportation services. In one transaction, users can order a GoRide to the station, buy a public transportation service ticket (KRL commuter line), and continue the journey from the station to the final destination with GoRide. (Kontan)

What we think: Launching this feature may boost Gojek's GTV, as it helps streamline the purchasing process and caters to users' need for an integrated multimodal solution. Based on internal data published previously by the company, 1 in 2 Gojek users in Jakarta has traveled to and from public transportation centers by taking GoRide, with 11 KRL commuter line stations in Jakarta being favorite places to order GoRide services.

• TUGU has sold its investment in PGEO

IDX questioned the recording of Asuransi Tugu Pratama Indonesia's (TUGU) investment in Pertamina Geothermal Energy (PGEO) in Notes to the Financial Report (CALK) 5 of 282.4M shares with a fair value of IDR 247.1B as a third-party investment. The finance director of Asuransi Tugu Pratama Indonesia (TUGU), Emil Hakim, admitted that there was an error in the investment classification of PGEO. Besides, TUGU has sold all of its share ownership in PGEO. TUGU bought 332.4M PGEO shares in stages from 28 Feb to 28 Mar 23 with a total cost of IDR 279.32B and an average price of IDR 840.3/share. (CNBC Indonesia, Company)

What we think: TUGU does not mention the average selling price of PGEO shares; however, PGEO share price has increased by 70% in the last three months. Therefore, investors may expect TUGU to book significant investment gains in 3Q23

financial results. In 1H23, TUGU booked investment income of IDR 211.6B, where bond investment contributed 65%.

- **UNTR will distribute interim dividend of USD2.54T**

United Tractors (UNTR) will pay an interim dividend of IDR2.54T from FY23's book or equal to IDR 701/share. Cum Date on 10 Oct 23. (Bisnis Indonesia)

What we think: We see a similar pattern of regularly distributing interim dividends in early October compared to last year, although with a lower dividend payout ratio of 23% of 1H23's net income (vs. 29% of 1H22's net income). According to the close price, the dividend yield will be 2.5%.



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Recommendation ratings

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

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