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Companies & Debt Securities Rated by PEFINDO

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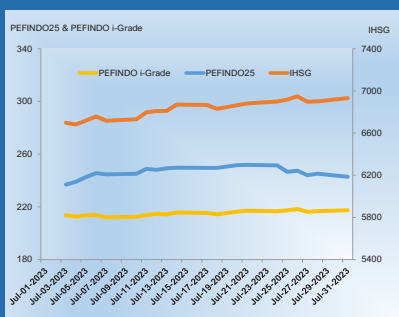
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# NEWSLETTER

## Analysis

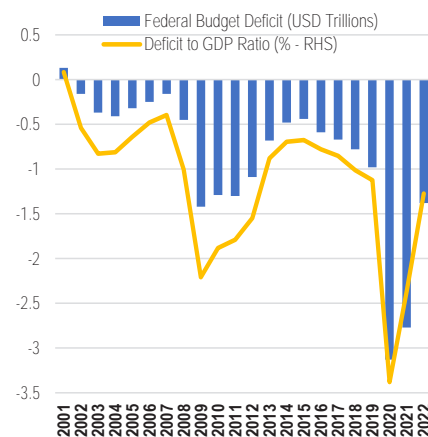
## EXAMINES THE OPPORTUNITIES AND RISKS OF A DOWNGRADE OF THE UNITED STATES SOVEREIGN

After S&P Global Ratings downgraded the United States sovereign rating from AAA to AA+ in 2011, in early August 2023, FITCH Ratings also followed the downgrade of the United States sovereign to an AA+ rating with a stable outlook. The downgrade of the sovereign rating that was carried out by S&P Global Ratings in 2011 was carried out due to the negotiation and policy-making process when the US was on the brink of default in the 2011 debt ceiling crisis, which was protracted. At that time, S&P Global Ratings thought that the effectiveness, stability, and clarity of policymakers and political institutions in the US had weakened when faced with fiscal and economic challenges at that time due to the difficulty of bridging the interests of the two ruling parties and making market confidence decrease.

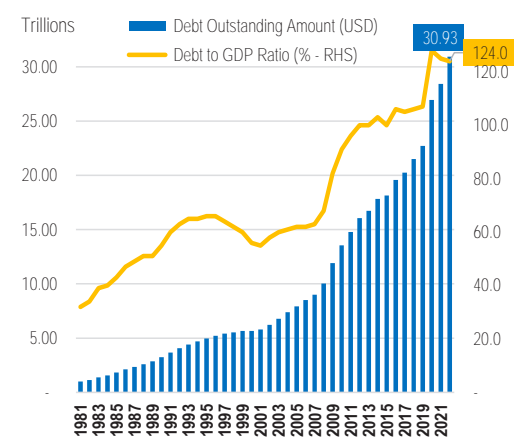
Almost similar to that carried out by S&P Global Ratings, Fitch Ratings downgraded the United States (US) sovereign rating based on main reasons related to current US fiscal and governmental conditions, where it is estimated that US fiscal conditions will weaken over the next three years, fiscally burdened with high and ever-increasing government debt, medium-term fiscal problems that have never been resolved, as well as eroded governance conditions which can be seen from the deadlock during debt ceiling negotiations and resolutions that can only emerge at the last moment. Apart from that, it also highlighted the tightening of credit conditions, weakening business investment, and slowing consumption due to tightening monetary policy which was feared could lead to a mild recession. With the downgrade that was carried out by S&P Global Ratings in 2011 and followed by Fitch Ratings in early August 2023, currently, two of the three rating agencies have assigned the US sovereign rating to AA+ and only Moody's has still assigned the US sovereign rating on AAA.

### Exhibit 1. The Fiscal Deficit that Happened Since 2002 has Made The United States Debt-to-GDP Ratio Continue to Increase

United States Government Budget Deficit 2001-2022



Outstanding US Government Debt and Its Ratio to GDP



Source: US Department of Treasury and Bloomberg, processed by PEFINDO (2023).

Continued to page 2

## Analysis



Written by:

**Suhindarto**  
Economist

We are of the view that the downgrade by S&P Global Ratings, followed by Fitch Ratings due to the weakening fiscal and governance conditions in the US, is quite justified. The US fiscal deficit that has continued to occur since 2002 until now has certainly had an effect on the condition of the government's budget as a whole. In Exhibit 1, we can see that the government's budget deficit, which has deepened and reached its peak during the last pandemic, has resulted in a drastic increase in financing through the issuance of government debt. The outstanding US government debt in 2012 was USD16 trillion or equivalent to 100% of GDP, which has increased by 92.5% or almost doubled in 10 years and reached USD31 trillion or equivalent to 124% of GDP. This can then have an impact on the allocation of spending for debt interest payments and the principal each year which will also increasingly burden the government's budget and limit fiscal space so that the flexibility of the government's budget becomes increasingly limited.

We see the downgrade of the sovereign rating will have some effect on the US economy, at least on government bond yields and their exchange rates. US government bonds have been a safe haven asset because they offer significant liquidity compared to several other countries and serve as a benchmark for various similar instruments in other countries, we see that this will not change considering that the US is still the largest economy in the world today. The US Treasury will still be the favorite place for investors to place their funds. However, from the yield side, we see this will be pushed up due to the downgrade of the sovereign rating. This has been going on for the last few days, where the US Treasury 10-Years Yield has increased by 7% month-to-date until market close on August 18, 2023, or up around 30 bps from 3.96% at the end of July 2023 then to 4.26% at the close of trading that day. This yield increase is likely to continue for some time to come because the market perceives this downgrade as an additional risk in holding US government debt.

Then regarding the US dollar, which is the most dominant currency used in the world, its reputation will decrease after this downgrade. Previously the US dollar became the main currency because the world believed in the reputation of the US economy that would always be able to pay its debts, but the difficulties in reaching an agreement on the recent debt ceiling policy, have indirectly caused a decline in the credibility of the US government and economy, so it could be that in the future,

the US dollar will experience a weakening. Nonetheless, we still see that the US dollar will still be the main currency in world transactions and global foreign exchange reserves. Currently, the US dollar is used as a foreign exchange reserve covering around 58%, while other currencies such as the Euro (21%), Japanese Yen (6%), British Pound (5%), and Chinese Renminbi (3%) are still far below the position of US dollars.

### Implications for The Indonesian Economy

We see that the impact of a downgrade in the US sovereign rating on the domestic economy will be quite limited, considering that this is not something new because in 2011 a downgrade in the US rating also occurred. Perhaps the thing we need to pay attention to is the possibility of a rating downgrade which could cause volatility in foreign capital flows to Indonesia. With the smaller difference in rating between Indonesia and the US, the volatility of capital flows to Indonesia is expected to become more volatile and this is one of the downside risks that needs to be anticipated. However, reflecting on historical events in 2011 there was a US debt ceiling crisis and a downgrade in the S&P rating, while in Europe there was still a debt crisis, Indonesia experienced a net foreign inflow reaching IDR24.3 trillion in the stock market. This is because market players still see that our domestic economic prospects are quite good amidst uncertainty and conditions in various major economies that are not so good. Based on this and the current world economic conditions which are still facing a slowdown in developed countries while Indonesia's domestic economic conditions are recorded to be very good, it is not impossible that this will also happen again, where foreigners will tend to enter the Indonesian capital market, both to the stock market and also to the government and corporate bonds. If foreign capital inflows resume as before, this will have a positive impact on the Rupiah exchange rate which will become stronger and more stable.

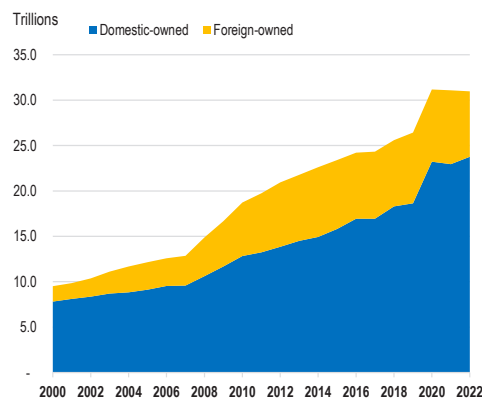
In addition, we see that Indonesia's relatively minimal ownership of US government debt will only have a relatively limited impact when a US default occurs in the future as its rating decreases due to the increased risk. Of all outstanding US government debt, foreign investors hold 18% of them with Japan, China, and the UK being the countries that hold the largest US debt. In contrast to this, Indonesia itself only owns 0.2% of outstanding US debt securities. So that the risks and impacts that will be transmitted to the country are quite minimal.

Another impact that needs to be observed is the condition of the United States as one of Indonesia's export destination countries which is quite large (about 10% of total exports). The slowdown in business and consumption conditions highlighted previously will likely have an impact on decreasing our exports to the US in the future. In 2023, exports from Indonesia to the US experienced a contraction during Semester 1-2023 by -22.65% (YoY). Apart from the normalization of prices, we also see that the decline in exports in volume has contributed to the decline in overall exports. Therefore, the weakening that occurred in the United States also needs to be anticipated because it is possible that this export slowdown will continue in the future.

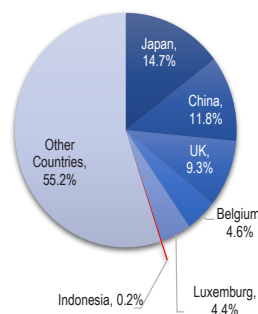
Regarding the domestic bond market, we are of the view that the impact on the bond market, particularly corporate bonds, also needs to be watched out for. The impact of a downgrade of the US rating can be transmitted through the yield channel on the bond market. Corporations need to be aware of an increase in yield on the US debt market which is likely to occur in the future in line with the downgrade of the US sovereign rating. An increase in yields on US government bonds will push up yields on the Indonesian government debt market because yields in the US are the benchmark for Indonesian government bonds. The yield of Indonesian government bonds itself is a benchmark for yields on domestic corporate bonds, so domestic corporations need to watch out for the transmission of increased yields to the US because it will also boost yields on the corporate debt market. ●

### Exhibit 2. Foreign Investors Hold 18% of US Government Bonds, with Japan and China as the Most US Holders of Bonds

Comparison of US Treasury Holders, (in USD Trillion)



Distribution of US Treasury Holders



Source: US Department of Treasury, processed by PEFINDO (2023).



## Analysis



Written by:

**Martin Pandiangan**

*Non-Financial Institution Rating*

*Analyst 1*

## PETROCHEMICAL INDUSTRY OUTLOOK

PEFINDO anticipates that the petrochemical companies in Indonesia will continue to face key credit risks such as fluctuating macroeconomic environment, high reliance on import feedstock, ability to maintain profitability amidst high cost of inputs, and substantial investment costs to produce more specialized products. We view the domestic profile, which has economic resilience against global recession threat, combined with various end-use industries from downstream petrochemical products should partly mitigate those key credit risks. This rationale concludes our view that the outlook for the domestic petrochemical industry in the second half of 2023 to the next 18 months (2H2023-2024) to remain stable. The industry risk profile is considered as intermediate due to high barrier to entry as it is a capital-intensive industry, with low-to-medium risk for the substitute products. We also view the high cyclical nature as petrochemical industry is highly exposed to the macroeconomic condition.

### Growth and Stability

Southeast Asia region is projected to experience stronger petrochemical industry growth in the medium to long term compared to other regions on the rationale of access to large markets in terms of population with expanding economy, improved infrastructures, and large oil and gas resources developed. We also observe that the presence of foreign investment in Indonesia's petrochemical industry nowadays indicates that the country has a large potential market. PEFINDO expects the domestic petrochemical industry growth in 2H2023-2024 to be driven by several factors including (i) business activities recovery post pandemic, especially when the pandemic status in Indonesia has been officially lifted in June 2023; (ii) reopening of China's economic in March 2023 as the largest producer and consumer of petrochemicals, which is expected to drive global demand through reopening of factories and ports; (iii) growing plastic consumption for various uses with less substitute products. Indonesia's annual plastic consumption is around 22.5 kg per capita, lower than consumption in other Southeast Asian countries (Malaysia, Singapore, and Thailand all have rates of more than 60 kg per capita).

According to Nexant, a professional consultant in the field of chemicals, Indonesia's demand for polyethylene, polypropylene, styrene monomer, and butadiene in 2022-2035 will book a compound annual growth rate (CAGR) of around 5%-6%, higher than the rest of world. Most of the demand will be absorbed by packaging usage, electronics, construction, and automotive manufacturing.

Aside from expecting recovery in the industry growth, we anticipate that the uncertainty in macroeconomic environment will be our key concern as petrochemical industry has high correlation and sensitivity to gross domestic products (GDP) growth. High inflation may adversely impact softening the demand, especially for the end-user products related to petrochemicals that will pressure GDP. We also anticipate any further supply chain disruptions and rising geopolitical tensions will negatively affect the downstream customers including the auto assembly and electronic industries.

### Cost of Inputs Challenges with High Reliance on Imports

PEFINDO views that the Indonesian petrochemical production has high reliance on imported raw materials (feedstock and

preliminary petrochemical products). Domestic production is much lower compared to the demand, as reflected by the nation trade deficit value of petrochemical products, which reached almost USD1.0 billion in 2022, with exports of USD228.3 million and imports of USD1.2 billion. Xylenes, ethylene, butadiene, and toluene contribute the most deficit in the nation's trade balance. These products are inputs for producing intermediary to downstream petrochemical products. Meanwhile, for the upstream petrochemical products, the prices of naphtha and condensates are linked to the fuel commodity prices.

Despite the downward trend of oil and gas prices from their peaks in the middle of 2022, we anticipate that a sustained lower oil and gas price will be subject to the absence of further negative supply disruption. We project oil and gas prices to decline in 2023-2024 compared to the historical standard to more than USD65 per barrel for crude oil and USD2.5 per million British thermal units (MMBtu) for gas. The OPEC+ group intention to maintain high oil prices by cutting oil production in 2023 amidst increasing oil demand confirming our view that the fuel commodity prices will remain high. Therefore, we view the cost of inputs is likely to remain high during our forecast period.

### Pressures on Profitability

We understand that the industry's profitability is highly volatile in nature, depending on the global demand and supply dynamics. We view the domestic petrochemical manufacturers continue to manage pressures on petrochemical products' price and spreads in the next 18 months. The selling price may have limited room for adjustment in the period of strong inflation, when consumers tend to be more cautious in their spending. The excess supply of petrochemical products in the global market may also constrain selling price movement. As the higher cost of inputs cannot be fully and instantaneously passed on to the petrochemical product price, the spread may depress and deteriorate the profitability, in our view.

### High Barrier to Entry with Intense Competition

PEFINDO views that the entry barrier for the industry is categorized as high due mainly to the sizable capital requirement for investment and high economic of scale requirement to achieve efficient production. A strategic location close to the market with sufficient supporting facilities, including jetties, power utilities, water treatment, as well as other infrastructures, constitutes the key success factors in the industry, enabling a player to exploit economies of scale to operate efficiently. The ability to create vertical operation integration is essential to create better cost position, by investing in upstream-midstream-downstream production facilities and securing raw materials.

We consider the competition between players is intense, not only from domestic but also from overseas players. Local supply is mostly in the form of olefins, while some products are dependent on imports. More downstream products with higher value-added goods will strengthen the relationship with users and reduce the competition level. The major players in Indonesia are PT Chandra Asri Petrochemical Tbk (TPIA, *idAA-/Stable*), Pertamina group including PT Polyrama Propindo (PLTM, *idA-/Stable*), Asahi Glass Corporation (AGC) group, and Lotte Chemical Titan (LCT). TPIA dominates the domestic market of olefins, polyethylene, and polypropylene at 50%, 40%, and 31% market shares, respectively.

We observe that local producers are more intense in expanding their production capacities as the market is attractive and net importer country for most petrochemical products. TPIA and LCT are penetrating to build their new naphtha cracker and expand their production capacity of their propylene and ethylene plants, while Pertamina group is in construction to add production capacity of their olefins and polypropylene plants. We expect that the additional capacity from two new naphtha cracker facilities by TPIA and LCT may substitute the imported products in the long term. As those substantial investments are mostly funded by debt, we identify the projects are exposed to risks such as projects delays, cost overruns, and rising financial leverage, which adversely affect the ability to service the financial obligations. ●

\* More can read in website PEFINDO articles

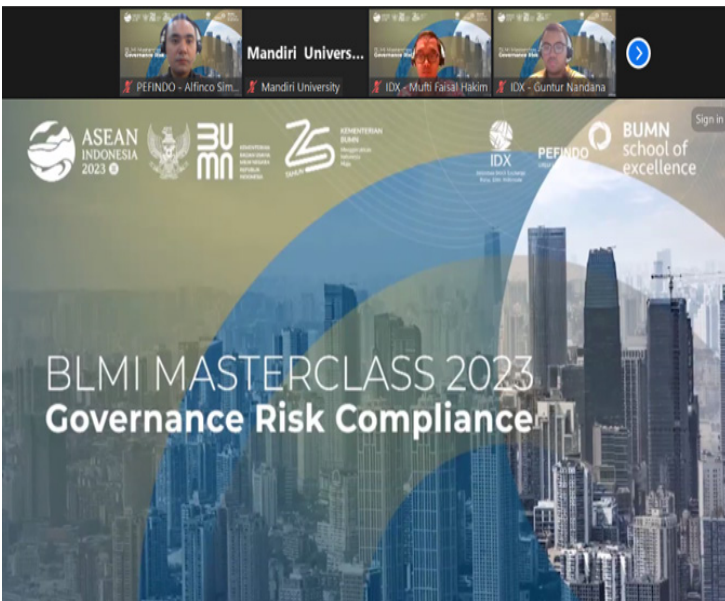


## Go Public Workshop “Potential for Company Growth Through Sukuk Issuance”



PEFINDO, represented by Niken Indriarsih as the speaker at the sukuk workshop with the theme “**Potential for Company Growth Through Sukuk Issuance**” on Tuesday, 8 August 2023 taking place at the Main Hall, Indonesia Stock Exchange. This workshop objective is to provide awareness regarding the process of issuing sukuk for Indonesian companies to be able to perform and develop with funding through the capital market, especially through the issuance of sukuk. This event is a collaboration between PT Bursa Efek Indonesia (Indonesia Stock Exchange), PT KPEI (Indonesia Clearing and Guarantee Corporation), and PT KSEI (Indonesia Central Securities Depositor) in collaboration with Otoritas Jasa Keuangan (the Financial Services Authority). PEFINDO, presented material related to the sukuk rating process. ●

## The GRC Masterclass Program Training



On Thursday, 10 August 2023, PEFINDO and the Indonesian Stock Exchange collaborated as resource persons in the **GRC Masterclass Program training** organized by the Ministry of SOEs through the BUMN Leadership Management Institute (BLMI). The purpose of the training is to develop capacity and competence for SOE risk management organs so that they are always updated according to business conditions that continue to develop. In the training, PEFINDO conveyed the latest developments in the corporate debt securities market and also regarding the rating mechanism. Submission of the rating mechanism is carried out in line with the obligation for SOEs and their subsidiaries to be rated in order to assess their level of soundness starting from the 2023 financial year in accordance with the mandate of the Minister of BUMN Regulation Number PER-2/MBU/03/2023 concerning Guidelines for Governance and Significant Corporate Activities Owned Enterprises Country.

The training conducted via zoom was attended by participants consisting of Directors and Heads of Units in charge of financial and risk management, and also audit committees. ●

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## Bond Market



Written by:

**Ahmad Nasrudin**

*Economic Research Analyst*

### HOW DOES THE PRIVATE SECTOR BEHAVE IN BORROWING WHEN THE RUPIAH APPRECIATES AND DEPRECIATES?

Our observations show that depreciation drives down foreign loans because the two are negatively correlated. Depreciation makes hedging costs more expensive, making foreign loans less viable. And, from historical data, decreased access to foreign markets does not necessarily encourage companies to increase access to the domestic bond market by spurring more issuances.

The foreign exchange market was more volatile after the trade surplus started to wane amidst significant negative sentiment. After touching IDR15,743 per US dollar at the end of last year, the rupiah appreciated to IDR14,674 in April 2023 after foreign investment poured into the domestic market. However, the rupiah is now back above IDR15,000, to be precise, at IDR15,295 per US dollar on August 23, 2023. So, how does this affect private-sector borrowing behavior?

Foreign borrowing by the private sector contracted amid depreciation and a more volatile rupiah. The outstanding fell by 5.6% year on year (YoY) to USD194.43 billion as of June 2023, most of which were loans in US dollars (87.43%). Or, the nominal decreased by around 3.31% compared to the end of the previous year. Most foreign loans came from the non-financial sector, covering around 79.86%. They are mainly manufacturers (approximately 20.70%

of the total outstanding or USD40.25 billion), companies in the electricity and gas sector (about 19.80% or USD38.50 billion), and the mining and quarrying sector (approximately 17.46% or USD33.9 billion).

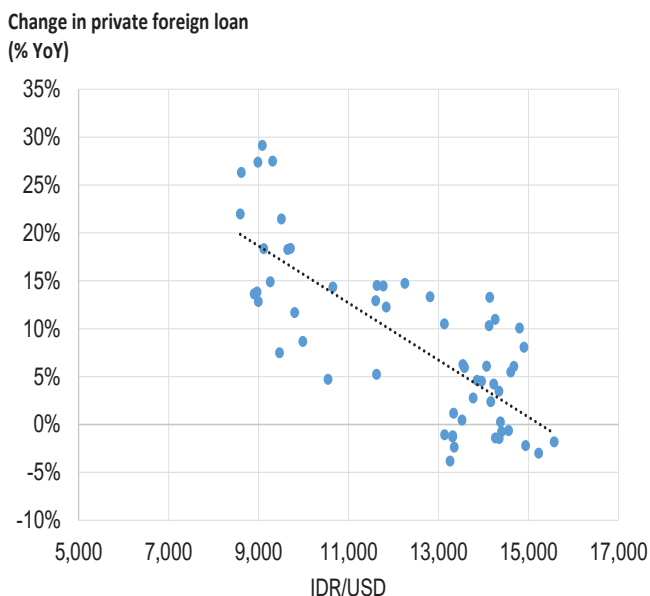
The decline in foreign loans during the depreciation is understandable. Historically, the behavior of the private sector in borrowing abroad was closely related to movements in the rupiah exchange rate. Initially, we assumed that foreign borrowing increased during the depreciation. During this period, when borrowing in US dollars, companies will get more funds when they convert their dollar loans into rupiahs.

But, as it turns out, the data suggests otherwise. We see different and contrasting patterns with those assumptions. Instead of having a positive correlation, we see a significant negative correlation between the exchange rate and changes in foreign borrowing (Exhibit 1). Thus, when the rupiah depreciates, foreign loans tend to grow lower. In contrast, foreign loans grew faster when the rupiah appreciated.

With the tendency to borrow in short-medium tenors, borrowing abroad will indeed become more expensive when the rupiah depreciates, especially for companies whose operating currency is the rupiah. Depreciation means they have to collect more rupiah to pay interest. The burden is higher if they take a short tenor, and the rupiah depreciates because they must pay the principal more expensively at maturity. Citing data from the Foreign Debt Statistics, around 24.6% of the total outstanding foreign debt as of June is short-term, with a tenor of 1 year or less. The nominal value reached USD47.86 billion. In addition, depreciation also makes hedging costs more expensive.

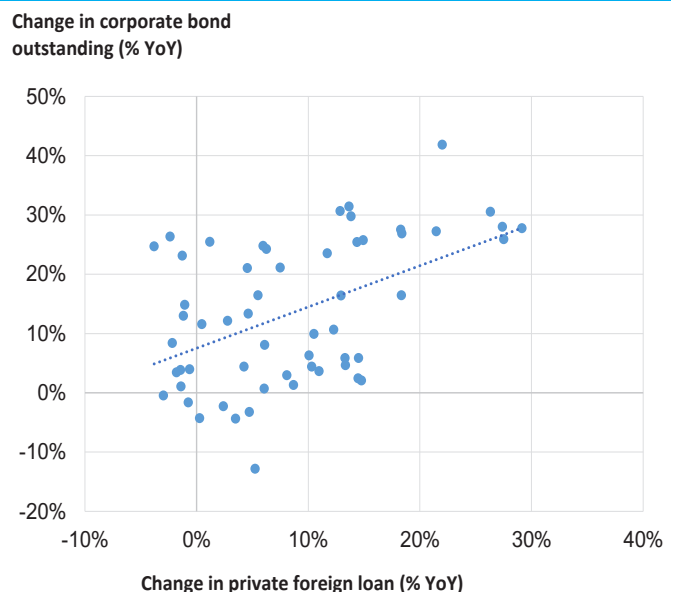
*Continued to page 6*

**Exhibit 1. Correlation Between Changes in Foreign Loans and Exchange Rates**



Source: Bloomberg.

**Exhibit 2. Correlation of Changes in Foreign Loans with Changes in Outstanding Corporate Bonds**



Source: Bloomberg, AsianBondOnline.

## Bond Market

What's more, around 72.31% of total foreign loans in June 2023 did not come from loans to parent companies or affiliated companies. Thus, creditors will likely demand a higher premium to compensate for the riskier exchange rate.

So, how does the private sector meet its funding needs? Do they substitute external sector funding by issuing bonds on the domestic capital market?

We examine the correlation between growth in foreign financing and domestic financing through bonds to answer the questions above. We see both tend to have a positive correlation. This means that funding from domestic bonds does not substitute foreign loans (Exhibit). Thus, the decline in foreign loan growth does not necessarily increase access to the domestic bond market. In fact, the situation is the opposite. When foreign borrowing decreases, financing through domestic bonds also decreases and vice versa. Thus, we suspect the private sector borrowed more from banks than the bond market when they reduced foreign borrowing, which was the case during a weak rupiah.

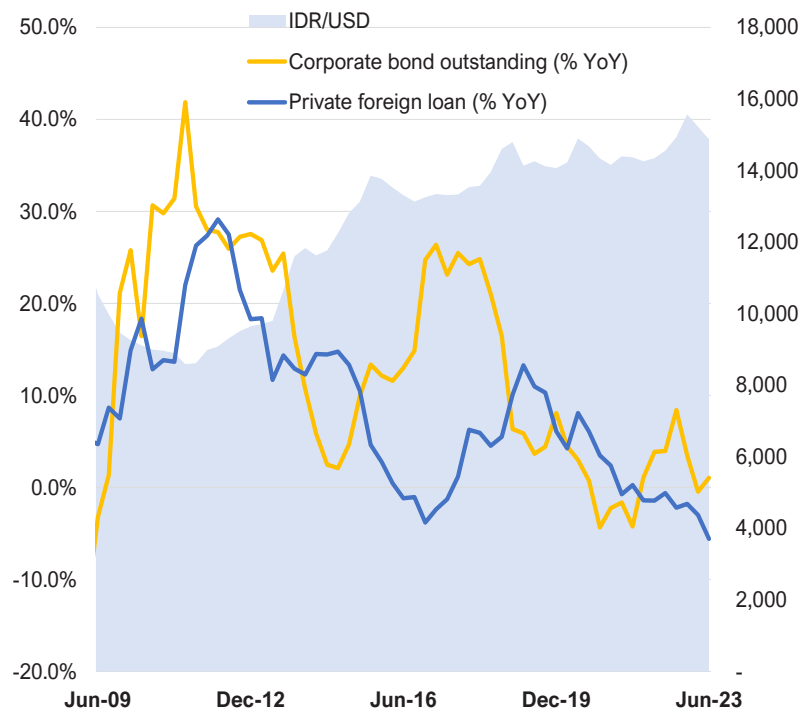
Although foreign loan growth positively correlates with domestic bond funding, its significance is still relatively weak. The correlation between the two is only around 50.08%, weaker than the negative correlation between the exchange rate and the growth of foreign loans (77.50%). Access to domestic capital

markets increases as foreign borrowing grows lower. The period June 2016 - June 2017 is a good example where increased issuance resulted in bond outstanding growing double digits in the domestic market because, during this period, the private sector reduced their foreign loans, as indicated by the contraction in growth (Exhibit 3). During this period, the rupiah tended to depreciate by 3.12% but at a lower volatility level than the previous year and moved in the IDR12,955 - IDR13,346 per US dollar.

Last year, foreign loans also fell amid high pressure on the rupiah due to aggressive interest rate hikes by central banks in developed countries and escalating geopolitical risks. This situation reduced incentives to borrow abroad, which had slowed since June 2019 and entered negative growth territory since early 2022. In contrast, domestic debt issuance increased quite rapidly. The decline in foreign loans has motivated companies to issue domestic bonds due to high external interest rates, depreciating pressure on the rupiah, and domestic interest rates rising less aggressively than abroad.

Several reasons explain why a decrease in foreign debt does not necessarily encourage an increase in issuance in the domestic capital market. The main thing is a long process. In addition to low liquidity compared to global markets, issuing bonds in the domestic market requires a longer time and process. Thus, companies prefer to borrow from banks rather than access to the capital market. ●

**Exhibit 3. Historical Trends in Exchange Rates, Foreign Loan Growth, and Domestic Bond Outstanding**



Source: Bloomberg, AsianBondOnline.





## Rating Publication

### Companies & Debt Securities Rated by PEFINDO

July 31, 2023

No	Company	Rating	Outlook	No	Company	Rating	Outlook
1	<b>Adhi Commuter Properti</b> Bond Year 2021 and 2022	idBBB	Stable	54	<b>Bank Pembangunan Daerah Sulawesi Tengah</b>	idA-	Stable
2	<b>Adhi Guna Putera</b> MTN Year 2022	idBBB	-	55	<b>Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung</b>	idA+	Stable
3	<b>Adhi Karya (Persero) Tbk.</b> SR Bond Year 2019, 2020, 2021, and 2022	idA-	Stable	56	<b>Bank Permata Tbk.</b>	idAAA	Stable
4	<b>Adi Sarana Armada Tbk.</b>	idA-	-	57	<b>Bank Rakyat Indonesia (Persero) Tbk.</b> SR Bond Year 2016, 2017, 2018, and 2019	idAAA	Stable
5	<b>Adira Dinamika Multi Finance Tbk.</b> SR Bond Year 2018, 2019, 2021, 2022, and 2023	idA-	-		SR Green Bond Year 2022	idAAA	-
6	<b>AKR Corporindo Tbk.</b> SR Sukuk Mudharabah Year 2019, 2021, 2022, and 2023	idAAA	Stable		Subordinated Bond Year 2023	idAAA	-
7	<b>Angkasa Pura I</b> SR Bond Year 2017	idAAA(sy)	-	58	<b>Bank Sahabat Sampoerna</b>	idAA	Stable
	Bond Year 2016	idAA	-	59	<b>Bank Sumut</b> SR Subordinated Bond Year 2018	idA-	Stable
	Sukuk Ijarah Year 2016	idAA+	Stable	60	<b>Bank Syariah Indonesia Tbk.</b> Sukuk Mudharabah Subordinated Year 2016	idBBB+	-
	SR Bond Year 2021	idAA+(sy)	-	61	<b>Bank Tabungan Negara (Persero) Tbk.</b>	idAAA	Stable
	SR Sukuk Ijarah Year 2021	idAA+	-	62	<b>Bank Victoria International Tbk.</b> SR Bond Year 2023	idAA(sy)	Stable
8	<b>Angkasa Pura II</b> Bond Year 2016	idAA+(sy)	Stable		SR Subordinated Bond Year 2017, 2018, 2019, and 2020	idA-	-
	SR Bond Year 2018 and 2020	idAA+	-	63	<b>Barito Pacific Tbk.</b> SR Bond Year 2019, 2020, 2021, 2022, and 2023	idBBB	Stable
9	<b>ASDP Indonesia Ferry (Persero)</b>	idAA+	-	64	<b>BCA Finance</b>	idA+	-
10	<b>Astra Sedaya Finance</b> SR Bond Year 2019, 2020, 2021, and 2022	idAA	Stable	65	<b>BCA Multi Finance</b>	idAAA	Stable
11	<b>Asuransi Bangun Askrida</b>	idAAA	Stable	66	<b>BNI Life Insurance</b>	idAA	Stable
12	<b>Asuransi Bhakti Bhayangkara</b>	idAAA	-	67	<b>BRI Asuransi Indonesia</b>	idAA+	Stable
13	<b>Asuransi Binagriya Upakara</b>	idA	Stable	68	<b>BRI Multifinance Indonesia</b> MTN Year 2021	idAA	Stable
14	<b>Asuransi Central Asia</b>	idBBB+	Stable		Bond Year 2022 and 2023	idAA	-
15	<b>Asuransi Jiwa Inhealth Indonesia</b>	idBBB+	Stable	69	<b>Bumi Serpong Damai Tbk.</b> SR Bond Year 2022	idAA	Stable
16	<b>Asuransi Jiwa Taspen</b>	idAA	Stable		SR Sukuk Ijarah Year 2022	idAA-	-
17	<b>Asuransi Kredit Indonesia</b>	idAA-	Stable	70	<b>Bussan Auto Finance</b> SR Bond Year 2022 and 2023	idAA-(sy)	-
18	<b>Asuransi Perisai Listrik Nasional</b>	idAA+	Stable	71	<b>Chandra Asri Petrochemical Tbk.</b> SR Bond Year 2017, 2018, 2020, 2021, 2022, and 2023	idAAA	Stable
19	<b>Asuransi Sinar Mas</b>	idBBB+	Stable	72	<b>Credit Guarantee and Investment Facility</b>	idAAA	Stable
20	<b>Asuransi Tri Pakarta</b>	idAA+	Stable	73	<b>CSM Corporatama</b>	idA-	Stable
21	<b>Asuransi Umum BCA</b>	idA	Stable	74	<b>Dana Investasi Infrastruktur Toll Road Mandiri-001 Danareksa (Persero)</b> Bond Year 2023	idAA-	Stable
22	<b>Bahana Pembinaan Usaha Indonesia (Persero)</b> MTN Year 2022	idAA	Stable	75	<b>Dharma Satya Nusantara Tbk.</b> SR Bond Year 2020	idAA	Stable
23	<b>Bali Towerindo Sentra Tbk.</b> SR Sukuk Ijarah Year 2022	idAAA	Stable	76	<b>Elnusa Tbk.</b> SR Sukuk Ijarah Year 2020	idA	Stable
24	<b>Bank BCA Syariah</b>	idA-(sy)	-	77	<b>Federal International Finance</b> SR Bond Year 2020, 2021, 2022, and 2023	idAA	Stable
25	<b>Bank BNP Paribas Indonesia</b>	idAA+	Stable	78	<b>Global Mediacom Tbk.</b> SR Bond Year 2017, 2020, 2021, 2022, and 2023	idAAA	Stable
26	<b>Bank BTPN Tbk.</b>	idAAA	Stable	79	<b>Gunung Raja Paksi Tbk.</b> SR Sukuk Ijarah Year 2017, 2020, 2021, 2022, and 2023	idA+	Stable
27	<b>Bank Capital Indonesia Tbk.</b> Subordinated Bond Year 2017	idAAA	Stable	80	<b>Hartadinata Abadi Tbk.</b> SR Bond Year 2019	idA+(sy)	-
28	<b>Bank Central Asia Tbk.</b> SR Subordinated Bond Year 2018	idBBB+	Stable	81	<b>Hutama Karya (Persero)</b> SR Bond Year 2016 and 2017	idA-	Stable
29	<b>Bank China Construction Bank Indonesia Tbk.</b>	idBBB-	-	82	<b>Indah Kiat Pulp and Paper Tbk.</b> SR Bond Year 2020, 2021, 2022, and 2023	idAAA(gg)	-
30	<b>Bank CIMB Niaga Tbk.</b> SR Bond Year 2018 and 2019	idAAA	Stable		SR Sukuk Mudharabah Year 2021 and 2022	idAA-	-
	SR Subordinated Bond Year 2019	idAAA	-	83	<b>Indofood Sukses Makmur Tbk.</b>	idAA-(sy)	Stable
	Subordinated Bond Year 2018	idAA	-	84	<b>Indomobil Finance Indonesia</b> SR Bond Year 2020, 2021, 2022, and 2023	idA+	Stable
	SR Sukuk Mudharabah Year 2019 and 2020	idAAA(sy)	-	85	<b>Indonesia Infrastructure Finance</b> SR Bond Year 2019 and 2020	idA+	Stable
31	<b>Bank Danamon Indonesia Tbk.</b>	idAAA	Stable	86	<b>Indonesia Paradise Property Tbk.</b> Indosat Tbk.	idAAA	Stable
32	<b>Bank DKI</b>	idAAA	-		SR Bond Year 2014, 2015, 2016, 2017, 2018, 2019, and 2022	idBBB+	Stable
33	<b>Bank Jabar Banten Syariah</b>	idAA	Stable	87	<b>Industri Kereta Api (Persero)</b> Sukuk Mudharabah Year 2020	idAAA	Stable
34	<b>Bank KB Bukopin Tbk.</b> SR Subordinated Bond Year 2017	idAA-	Stable	88	<b>Integra Indocabinet Tbk.</b> SR Bond Year 2021 and 2022	idBBB+(sy)	-
35	<b>Bank Mandiri (Persero) Tbk.</b> SR Bond Year 2016, 2017, 2018, and 2020	idAAA	Stable		SR Sukuk Mudharabah Year 2021 and 2022	idA	Stable
	Subordinated MTN Year 2023	idAAA	-	89	<b>Integrasi Jaringan Ekosistem</b> Project Rating	idA(sy)	-
	SR Green Bond Year 2023	idAA	-	90	<b>J Resources Asia Pasifik Tbk.</b> SR Bond Year 2020	idA-(sf)	-
36	<b>Bank Mandiri Taspen</b>	idAAA	Stable	91	<b>Jakarta Lingkar Baratsatu</b> Bond Year 2018	idBBB+	Stable
37	<b>Bank Mayapada Internasional Tbk.</b> Subordinated Bond Year 2018	idAAA	Stable	92	<b>Jaminan Kredit Indonesia</b>	idBBB+	Stable
	SR Subordinated Bond Year 2017	idBBB-	-	93	<b>Jaminan Pembiayaan Askrindo Syariah</b>	idBBB+	Stable
38	<b>Bank Maybank Indonesia Tbk.</b> SR Bond Year 2017, 2018, 2019, and 2022	idBBB-	Stable	94	<b>Jamkrida Jabar</b>	idBBB	Stable
39	<b>Bank Mega Tbk.</b>	idAAA	Stable	95	<b>Jasa Marga (Persero) Tbk.</b> SR Bond Year 2020	idA	Stable
40	<b>Bank Muamalat Indonesia Tbk.</b> Sukuk Mudharabah Year 2021	idAA-	Stable	96	<b>Jasa Raharja</b>	idAA	Stable
41	<b>Bank Negara Indonesia (Persero) Tbk.</b> Subordinated MTN Year 2018	idA+	Stable	97	<b>Jasamarga Pandoan Tol</b> Sukuk Ijarah Year 2019	idAAA	Stable
	Green Bond Year 2022	idA+(sy)	-	98	<b>Kapas Prima Coal Tbk.</b> Bond Year 2018	idAA-(sy)	-
42	<b>Bank Oke Indonesia Tbk.</b>	idAAA	Stable			idBBB	Positive
43	<b>Bank Pan Indonesia Tbk.</b> SR Subordinated Bond Year 2017 and 2018	idAA	Stable			idBBB	-
44	<b>Bank Panin Dubai Syariah Tbk.</b>	idA-	Stable				-
45	<b>Bank Pembangunan Daerah Bali</b>	idA+	Stable				-
46	<b>Bank Pembangunan Daerah Bengkulu</b>	idA+	Stable				-
47	<b>Bank Pembangunan Daerah Daerah Istimewa Yogyakarta</b>	idA-	Stable				-
48	<b>Bank Pembangunan Daerah Jawa Barat dan Banten Tbk.</b> SR Bond Year 2017, 2018, and 2019	idA	Stable				-
	SR Subordinated Bond Year 2017, 2020, 2021, and 2022	idAA	-				-
49	<b>Bank Pembangunan Daerah Jawa Tengah</b>	idA+	Stable				-
50	<b>Bank Pembangunan Daerah Jawa Timur Tbk.</b>	idA+	Stable				-
51	<b>Bank Pembangunan Daerah Nusa Tenggara Timur</b> SR Bond Year 2018	idA-	Stable				-
52	<b>Bank Pembangunan Daerah Papua</b>	idA-	Stable				-
53	<b>Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat</b> SR Bond Year 2018, 2020, and 2021	idA	Stable				-
		idA+	-				-

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### Companies & Debt Securities Rated by PEFINDO

July 31, 2023

No	Company	Rating	Outlook	No	Company	Rating	Outlook
101	<b>Kereta Api Indonesia (Persero)</b> Bond Year 2017 and 2019 SR Bond Year 2022 SR Sukuk Ijarah Year 2022	idAAA idAAA idAAA idAAA(sy)	Stable	135	<b>Perusahaan Pengelola Aset</b> Bond Year 2020 Sukuk Wakalah Bi-Ah-Istismar <i>Jangka Panjang</i> Year 2022 Commercial Paper Year 2022	idAA idAA idAAA(sy) idA1+	Stable
102	<b>Ketrosden Triasmitra</b> Bond Year 2020	idAAA(cg)	-	136	<b>Pindad</b> MTN Year 2021	idBBB+ idBBB+	Stable
103	<b>KIK EBA (Asset Backed Securities)</b> KIK EBA Bahana Bukopin EBA-SP SMF-BTN02 Class A EBA-SP SMF-BTN03 Class A EBA-SP SMF-BTN04 Class A EBA-SP SMF-BTN05 Class A EBA-SP SMF-BTN06 Class A EBA-SP SMF-BTN07 Class A EBA-SP SMF-BMRI01 Class A EBAS-SP SMF-BRIS01 Class A	idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf) idAAA(sf)(sy)	-	137	<b>Pindo Deli Pulp &amp; Paper Mills</b> Bond Year 2022 Sukuk Mudharabah Year 2022	idA idA idA(sy)	Stable
104	<b>Lautan Luas Tbk.</b> SR Bond Year 2020 and 2021	idA idA	Positive	138	<b>Polytama Propindo</b> Bond Year 2020 Sukuk Ijarah Year 2020 Bond Year 2021 Sukuk Ijarah Year 2021 Sukuk Ijarah <i>Jangka Menengah</i> Year 2022	idA- idA- idA-(sy) idAAA(cg) idAAA(sy)(cg) idAAA(sy)(cg)	Stable
105	<b>Lembaga Pembiayaan Ekspor Indonesia</b> SR Bond Year 2016, 2017, 2018, and 2019 SR Sukuk Mudharabah Year 2018 and 2019	idAAA idAAA idAAA(sy)	Stable	139	<b>Pos Indonesia (Persero)</b> MTN Year 2021	idBBB+ idBBB+ idBBB+ idBBB-	Stable
106	<b>Lembaga Penjamin Simpanan</b>	idAAA	Stable	140	<b>PP Presisi Tbk.</b> SR Bond Year 2022	idBBB+ idBBB+	Stable
107	<b>Lontar Papyrus Pulp and Paper Industry</b> Sukuk Mudharabah Year 2018 SR Bond Year 2021, 2022, and 2023	idA idA(sy) idA	Positive	141	<b>PP Properti Tbk.</b> SR Bond 2020, 2021, and 2022	idBBB- idBBB-	Stable
108	<b>Mandala Multifinance Tbk.</b> SR Bond Year 2020 and 2021 SR Sukuk Mudharabah Year 2022 and 2023	idA idA idA(sy)	Positive	142	<b>Provident Investasi Bersama Tbk.</b> SR Bond Year 2023	idA idA	Stable
109	<b>Mandiri Tunas Finance</b> SR Bond Year 2019, 2020, 2021, 2022, and 2023	idAAA idAAA	Stable	143	<b>Putra Indotenaga</b>	idA- idAA-	Stable
110	<b>Mandiri Utama Finance</b>	idAAA	Stable	144	<b>Reasuransi Indonesia Utama (Persero)</b> Mandatory Convertible Bond I Year 2014	idA+ idA-	Stable
111	<b>Marga Lingkar Jakarta</b> Bond Year 2017	idAAA(sf)	-	145	<b>Reasuransi Syariah Indonesia</b>	idA- idCCC	Stable
112	<b>Mayora Indah Tbk.</b> SR Bond Year 2020 and 2022	idAA idAA	Stable	146	<b>Ricobana Abadi</b> MTN Year 2017	idCCC idCCC	Negative
113	<b>Medco Energi Internasional Tbk.</b> SR Bond Year 2016, 2017, 2018, 2020, 2021, 2022, and 2023	idAA- idAA-	Stable	147	<b>Sampoerna Agro Tbk.</b> SR Bond Year 2020, 2021, and 2022 SR Sukuk Ijarah Year 2020, 2021, and 2022	idA idA(sy) idA	Stable
114	<b>Medco Power Indonesia</b> Bond Year 2018 Sukuk Wakalah Year 2018 and 2019 SR Sukuk Wakalah Year 2022	idA idA idA(sy) idA(sy)	Stable	148	<b>Samudera Indonesia Tbk.</b>	idA+	Stable
115	<b>Medikaloka Hermina Tbk.</b> SR Bond Year 2020 and 2022	idAA idAA	Stable	149	<b>Sarana Multi Infrastruktur (Persero)</b> SR Bond Year 2016, 2019, 2020, 2022, and 2023 SR Sukuk Mudharabah Year 2019 and 2022	idAAA idAAA idAAA(sy)	Stable
116	<b>Merdeka Copper Gold Tbk.</b> SR Bond Year 2020, 2021, 2022, and 2023	idA+ idA+	Stable	150	<b>Sarana Multigriya Finansial (Persero)</b> SR Bond Year 2019, 2020, 2021, 2022, and 2023 SR Sukuk Mudharabah Year 2023	idAAA idAAA idAAA(sy)	Stable
117	<b>MNC Energy Investments Tbk.</b>	idA-	Stable	151	<b>Satria Antarana Prima Tbk.</b>	idBBB	Stable
118	<b>MNC Kapital Indonesia Tbk.</b> SR Bond Year 2022 and 2023	idBBB+ idBBB+	Stable	152	<b>Sejahteraraya Anugerahjaya Tbk.</b> Bond Year 2022	idA idA	Stable
119	<b>Mora Telematika Indonesia</b> SR Sukuk Ijarah Year 2019, 2020, 2021, and 2023	idA+ idA+(sy)	Stable	153	<b>Semen Indonesia (Persero) Tbk.</b> SR Bond Year 2019 and 2022	idAA+ idAA+	Stable
120	<b>Nusa Surya Ciptadana</b>	idA-	Stable	154	<b>Sinar Mas Agro Resources and Technology Tbk.</b> SR Bond Year 2020, 2021, and 2022	idAA- idAA-	Stable
121	<b>Oki Pulp and Paper Mills</b> Bond Year 2021 and 2022 Sukuk Mudharabah Year 2021 and 2022	idA+ idA+(sy) idA+	Stable	155	<b>Steel Pipe Industry of Indonesia Tbk.</b> SR Bond Year 2021, 2022, and 2023 SR Sukuk Ijarah Year 2021, 2022, and 2023	idA- idA- idA-(sy)	Stable
122	<b>Oto Multiartha</b> Bond Year 2019 SR Bond Year 2023	idAA+ idAA+ idAAA	Stable	156	<b>Sumberdaya Sewatama</b>	idB+	Stable
123	<b>Pegadaian</b> SR Bond Year 2020, 2021, 2022, and 2023 SR Sukuk Mudharabah Year 2020, 2021, 2022, and 2023	idAAA idAAA idAAA(sy)	Stable	157	<b>Summarecon Agung Tbk.</b> SR Bond Year 2019 and 2022	idA+ idA+	Stable
124	<b>Pelabuhan Indonesia (Persero)</b> Bond Year 2016 and 2018	idAAA idAAA	Stable	158	<b>Surya Artha Nusantara Finance</b> SR Bond Year 2022 and 2023	idAA idAA	Stable
125	<b>Pembangunan Jaya Ancol Tbk.</b> SR Bond Year 2021	idA+ idA+	Stable	159	<b>Suzuki Finance Indonesia</b>	idAA	Stable
126	<b>Pembangunan Perumahan (Persero) Tbk.</b> SR Bond Year 2019, 2021, 2022, and 2023 SR Sukuk Mudharabah Year 2021, 2022, and 2023	idA idA idA(sy)	Stable	160	<b>Tamaris Hidro</b> Bond Year 2022	idAAA(sf)	-
127	<b>Penjaminan Jamkrindo Syariah</b>	idA+	Stable	161	<b>TBS Energi Utama Tbk.</b> Bond Year 2023	idA idA	Stable
128	<b>Penjaminan Kredit Daerah Banten (Jamkrinda Banten)</b>	idBBB	Stable	162	<b>Telkom Indonesia (Persero) Tbk.</b> SR Bond Year 2015	idAAA idAAA	Stable
129	<b>Perkebunan Nusantara III (Persero)</b> MTN Year 2018 and 2019 MTN Syariah Ijarah Year 2018 Sukuk Ijarah Year 2019	idBBB+ idBBB+ idBBB+(sy) idBBB+(sy)	Positive	163	<b>Timah Tbk.</b> SR Bond Year 2019 SR Sukuk Ijarah Year 2019 MTN Year 2022	idA idA idA(sy) idA	Stable
130	<b>Perkebunan Nusantara V</b> MTN Year 2021	idBBB+ idBBB+	Positive	164	<b>Transkon Jaya Tbk.</b>	idBBB	Stable
131	<b>Perkebunan Nusantara X</b> MTN Year 2018	idBBB idBBB	Stable	165	<b>Trimegah Sekuritas Indonesia Tbk.</b> MTN Year 2021 SR Bond Year 2023	idA idA idA	Stable
132	<b>Permodalan Nasional Madani</b> SR Bond Year 2019, 2020, 2021, and 2022 Sukuk Mudharabah Year 2019 and 2020 SR Sukuk Mudharabah Year 2021 and 2023 Sukuk Mudharabah <i>Jangka Menengah</i> Year 2022	idAA+ idAA+ idAA+(sy) idAA+(sy) idAA+(sy)	Stable	166	<b>Ultrajaya Milk Industry &amp; Trading Company Tbk.</b> MTN Year 2020	idAA idAA	Stable
133	<b>Perum Perumas</b> MTN Year 2018 and 2019 Long-Term Notes Year 2020	idBBB- idBBB-	Negative	167	<b>Voksel Electric Tbk.</b> Bond Year 2019	idBBB idBBB	Stable
134	<b>Perusahaan Listrik Negara (Persero)</b> SR Bond Year 2013, 2017, 2018, 2019, and 2020 SR Sukuk Ijarah Year 2013, 2017, 2018, 2019, and 2020	idAAA idAAA idAAA(sy)	Stable	168	<b>Wahana Inti Selaras</b> Bond Year 2022	idA idA	Stable
				169	<b>Waskita Beton Precast Tbk.</b> Bond Year 2022	idB idB	Stable
				170	<b>Waskita Karya (Persero) Tbk.</b> SR Bond Year 2018 and 2019 SR Bond III Phase II Year 2018 SR Bond Year 2020 Bond Year 2021 and 2022 Sukuk Mudharabah Year 2022	idSD idCCC idD idD idAAA(gg) idAAA(sy)(gg)	-
				171	<b>Waskita Toll Road</b>	idBB+	Stable
				172	<b>Wijaya Karya (Persero) Tbk.</b> SR Bond Year 2020, 2021, and 2022 SR Sukuk Mudharabah Year 2020, 2021, and 2022	idBBB idBBB(sy)	Negative
				173	<b>Wijaya Karya Beton Tbk.</b>	idBBB	Stable
				174	<b>Wika Realty</b> MTN Year 2019 Convertible Bond Year 2019	idBB+ idBB+ idBB+(cg)	Stable

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