

# WEEKLY ECONOMIC UPDATE

Period of July 29 – August 2, 2024

Presented by:

Economic Research Division, PT Peningkat Efek Indonesia (PEFINDO)

## EXECUTIVE SUMMARY

- During July 29 - August 2, 2024, there were developments in monetary policy from the Fed which still held its interest rates while signaling a dovish policy direction to the market, as the labor market continued to cool. From the Eurozone, there were key economic data releases, which reported that inflation had increased again beyond expectations amid rising unemployment rates, as well as the realization of economic growth in Q2-2024 which was reported to have grown by 0.3% QoQ. From the UK, the Bank of England cut interest rates by 25 bps in line with the expectations of some market players. Then from Asia, the Bank of Japan raised its benchmark interest rate to 0.25%. The inflation report in South Korea in Jul'24 increased for the first time and refuted the view that interest rates would be cut soon. In China, the economic slowdown is still occurring, marked by the contraction of the Caixin Manufacturing PMI.
- Developments in the domestic economy reported several developments. S&P Global Ratings reaffirmed the Republic of Indonesia's Sovereign Credit Rating at BBB with a stable outlook. Meanwhile, inflation in Jul'24 was reported to have slowed to 2.13% although still within the central bank's target range. Investment realization in Q2-2024 showed very good achievements with growth of 22.5% YoY and reaching IDR428.4 trillion. Meanwhile, the S&P Global Manufacturing PMI in Jul'24 was reported to have fallen into the contraction zone for the first time since Aug'21 at 49.3.
- Brent crude oil and CPO commodities moved in the red zone in the last week, in line with US employment data and declining demand. However, gold, coal, and nickel commodities strengthened in the last week as demand increased amid the prospect of interest rate cuts.
- The majority of stock markets closed the week in the red zone after a weak employment data report sparked fears of an impending recession. However, in contrast to global and Asian stock markets, JCI recorded a weekly gain of 0.27%.
- The US dollar weakened after the Fed chairman signaled a rate cut at the last meeting, reducing the support for the US dollar. The index has been on a downtrend after peaking in mid-April 2024.
- Meanwhile, the euro depreciated last week as the latest inflation report in the eurozone raised doubts about the potential for a European Central Bank (ECB) interest rate cut in September. In contrast, the pound appreciated after weakening after the central bank announced an interest rate cut.
- A weaker dollar was a catalyst for strengthening currencies in Asia. The exception was the Indian rupee, which tended to be stable. The Japanese yen appreciated sharply due to a weaker dollar and an interest rate hike by the Bank of Japan (BoJ). Meanwhile, the South Korean won, Malaysian ringgit, Thai baht, Chinese yuan, and Singapore dollar appreciated above 1%.
- Meanwhile, the rupiah is appreciated more moderately than in several Asian countries. A weaker dollar and signals of interest rate cuts also supported the rupiah through foreign capital inflows, which reached IDR10.27 trillion in net purchases.
- The US market posted the sharpest yield decline this year. The Fed's last meeting underlined the possibility of cutting interest rates in September, prompting the market to revise their pricing immediately. A sharp decline also occurred in the UK after the central bank began an easing cycle by cutting interest rates.
- The decline in yields in the US and several other developed countries catalyzed the 10-year yield in Asia to fall, with Singapore reporting the sharpest decline. A relatively significant percentage decline also occurred in the 10-year yield in Japan and South Korea.
- Last week, the yield curve tended to be bullish, flattening, with the 10-year yield falling more sharply than the 2-year yield. Expectations of interest rate cuts and a decline in US yields, combined with foreign capital inflows, have supported the decline in yields. In addition, S&P's affirmation of Indonesia's sovereign rating also became a positive catalyst for the bond market's performance.
- In the period July 29-August 2, 2024, there were issuances of bonds that reached IDR2.22 trillion. Meanwhile, throughout August 2024, PEFINDO recorded debt securities that matured at IDR12.75 trillion. Then in September 2024, October 2024, and November 2024, each was valued at IDR8.83 trillion, IDR11.79 trillion, and IDR12.34 trillion.
- Throughout this week, we highlighted news from 13 (thirteen) industrial sectors. Among the fifteen industries, we made news from the metal and gold industry with the title "Steel Product Exports Threatened by China and The European Union" and from the multifinance industry entitled "Leasing Issuers' Profits Eroded" as the main highlight of our selected news.

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## A. MACROECONOMIC DEVELOPMENT

### 1) Global Economic Development

- The Federal Reserve kept the Fed Funds Rate unchanged at 5.25%-5.50%, remaining at a 23-year high. Policymakers noted progress toward the 2% inflation target and that job gains have slowed. The central bank assessed that risks to achieving its employment and inflation goals continue to move into better balance. However, the Fed still needs greater confidence that inflation is moving sustainably toward 2%. Chairman Powell said a September rate cut could be an option if inflation falls in line with expectations and that he could envision scenarios where the Fed could cut rates several times this year or not at all.
- The US economy added 114K jobs in Jul'24 (Jun'24: 179K), below projections (175K) and the previous 12-month average (215K) and the lowest in 3 months. This development suggests a cooling labor market. Average hourly earnings for all US nonfarm private sector employees increased more slowly, by 8 cents (0.2%) to USD35.07 per hour (Jun'24: 0.3%). Over the 12 months, average hourly earnings increased by 3.6%, the lowest since May'21. The US unemployment rate was also reported to have increased to 4.3% (Jun'24: 4.1%).
- The Eurozone reported several key indicators, among which Jul'24 inflation unexpectedly rose back to 2.6% YoY (Jun'24: 2.5%), in contrast to the initial estimate of a slowdown to 2.4%. Energy prices increased by 1.3%, while services inflation slowed to 4%. Core inflation remained at 2.9%. In addition, the Jun'24 unemployment rate was also reported to have increased to 6.5% (May'24: 6.4%). The Eurozone also reported that economic growth in Q2-2024 reached 0.3% QoQ. On a year-on-year basis, the Eurozone economy grew 0.6%, the highest in 5 quarters. Key regions such as France, Italy, and Spain still recorded positive growth, while Germany, the largest economy, contracted -0.1% QoQ as the industrial sector was held back by high interest rates.
- The Bank of England cut its benchmark interest rate by 25 bps to 5% in line with expectations but noted that it would move cautiously in easing monetary policy further until it was more confident that inflation would remain subdued. The move came after the Monetary Policy Council voted in a relatively even vote, with four members holding rates unchanged and five members calling for a cut.
- The Bank of Japan raised its benchmark interest rate to 0.25% from a previous range of 0-0.1%. The BoJ also said it would reduce its bond purchases to JPY3 trillion in Jan-Mar'25 from the current pace of JPY6 trillion to pursue a more normal monetary policy. From Aug'24, the BoJ will offer to buy JPY400 billion of 5- and 10-year JGBs in each market operation, replacing the current buy offer range (JPY400-550 billion). The changes are part of BoJ's plan to reduce its nearly USD5 trillion balance sheet and gradually withdraw from the bond market.
- South Korea's inflation rate rose 2.6% YoY in Jul'24 (Jun'24: 2.4%). The reading ended a three-month streak of easing price pressures and dashed the view that the Bank of Korea could soon begin monetary easing as the South Korean economy showed signs of slowing in Q2-2024, while manufacturing activity weakened in July. Meanwhile, the central bank recently said it would monitor financial markets more closely amid rising geopolitical risks in the Middle East and uncertainty over the US presidential election, without providing details on the timeline for a potential rate cut.
- China's Caixin Manufacturing PMI contracted to 49.8 in Jul'24 (Jun'24: 51.8), the first contraction since Oct'23. The decline came as new orders fell for the first time in 11 months due to sluggish demand and reduced customer spending. Meanwhile, production grew at a nine-month low due to a slowdown in export orders. Employment conditions were relatively stable, declining only slightly. On the price side, selling prices fell for the first time since May, due to increased competition. Meanwhile, input cost inflation eased to a four-month low. Manufacturing sentiment improved from a low level helped by business development efforts and new product launches.

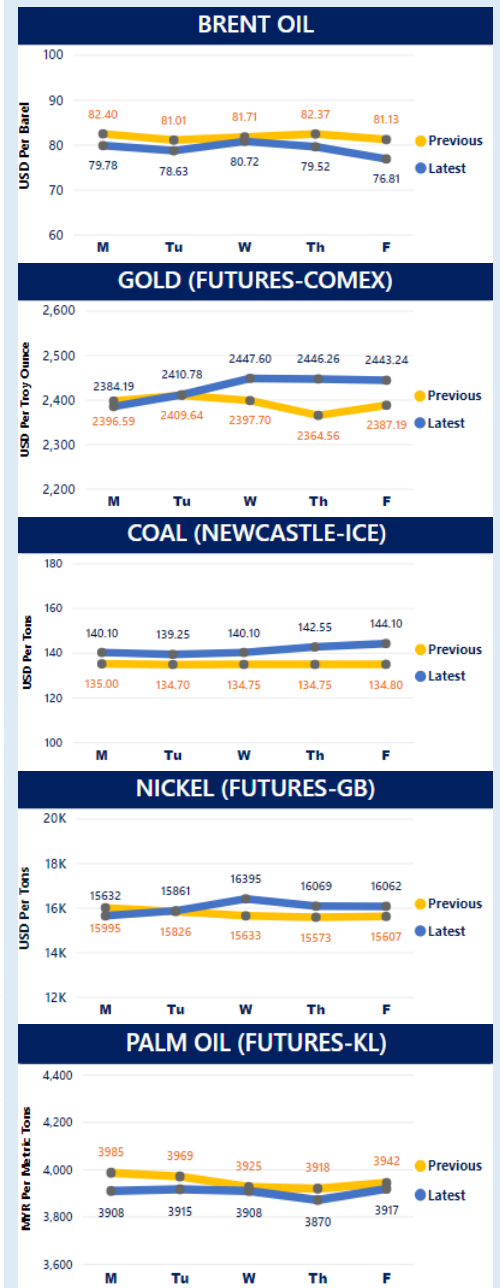
### 2) Domestic Economic Development

- S&P Global Ratings has reaffirmed the Republic of Indonesia's Sovereign Credit Rating at BBB with a stable outlook. S&P believes that Indonesia's economic growth prospects will remain solid over the next 3-4 years, maintained at around 5%. External resilience in the medium term is maintained, supported by an expected increase in exports along with the implementation of downstream policies. The government's debt burden is expected to continue to be maintained, supported by a credible monetary and fiscal policy framework with the government's commitment to maintain the fiscal deficit below 3%.
- Indonesia's inflation rate in Jul'24 slowed to 2.13% YoY (Jun'24: 2.51%) and became the lowest since Feb'22, but still within BI's target range. Food price increases slowed (3.66% vs 4.95%) and became the lowest in 11 months, but transportation prices accelerated (1.22%). Meanwhile, core inflation increased slightly to 1.95% YoY and became the highest in 10 months. On a monthly basis, there was a deflation of -0.18% MoM, continuing the trend in Jun'24 (-0.08%).
- S&P Global Indonesia Manufacturing PMI fell to 49.3 in Jul'24 (Jun'24: 50.7) and became the first contraction since Aug'21. Output declined for the first time in more than 2 years and new orders fell after rising steadily for a year. Exports also declined due to delays. Employment shrank the most since Sep'21. On the cost side, input price inflation moderated but remained high. Meanwhile, output costs rose at the sharpest pace in three months. Finally, sentiment reached a five-month high, supported by hopes of increasing sales volume and better market conditions.
- Indonesia's Investment Realization in Q2-2024 grew accelerated at 22.5% YoY (Q1-2024: 22.1%) reaching IDR428.4 trillion and was able to absorb 677.6 thousand workers. Of that amount, 50.7% was foreign direct investment (FDI) (IDR217.3 trillion), which grew by 16.6% YoY. This FDI growth was the highest since Q1-2023 driven by the clearer direction of economic policy after the one-round election. Cumulatively, investment throughout semester 1-2024 reached IDR829.9 trillion, grew by 22.3% YoY, and has been realized at 50.3% of the target of IDR1,650 trillion.

## B. COMMODITY MARKET DEVELOPMENT

- Crude oil prices posted a weekly decline of 5.32% WoW. Price levels settled at their lowest level since January after data showed the US economy added fewer jobs than expected the previous month. On the other hand, China's weak economic data adds more pressure. The price of Brent crude oil closed at USD76.81 per barrel. Meanwhile, OPEC oil production increased in July (up 100K bpd), as Saudi Arabia's increased supplies offset the impact of ongoing voluntary supply cuts by other members and the broader OPEC+ alliance.
- Gold prices fell slightly at the weekend (0.12%) to USD2,443.24 per ounce amid investor profit-taking. This profit-taking action occurred after the price of gold bullion jumped significantly at the beginning of the week. Thus, gold prices recorded a weekly strengthening of 2.35% every week, which is in line with the increasing demand for safe-haven assets due to Middle Eastern tensions. Also, the expectation of interest rate cuts by the US Federal Reserve makes the metal more attractive to investors.
- Coal prices jumped 6.90% WoW amid the prospect of an increasingly close interest rate cut by the United States (US) central bank, The Federal Reserve (The Fed). On the other hand, coal price movements were influenced by sentiment from the increasing demand for coal, especially in China and India, which were hit by a heat wave, thus encouraging an increase in electricity consumption for air conditioning. China's coal imports by sea will increase by 11% YoY in the January-June 2024.
- Nickel prices moved steadily at the end of the weekend, closing at USD16,061.74 per metric ton. However, nickel prices increased every week by 2.92% WoW. Some analysts still predict continued challenges from nickel oversupply, estimating total primary nickel stocks will reach a four-year high in 2024, limiting any significant price recovery for the remainder of the year.
- CPO prices strengthened at the weekend to close at MYR3,917 per ton (+1.21%). The main sentiment influencing CPO prices was the release of Malaysian export data in July, which recorded a strengthening of 23.60% compared to the previous month. It was also driven by Indian demand, which increased by 45% throughout July, ahead of the festival celebrations, and the Indonesian government's plan to revise regulations related to the Domestic Market Obligation (DMO) policy, which will indirectly impact CPO supply. However, on a weekly basis, CPO weakened 0.63% WoW.

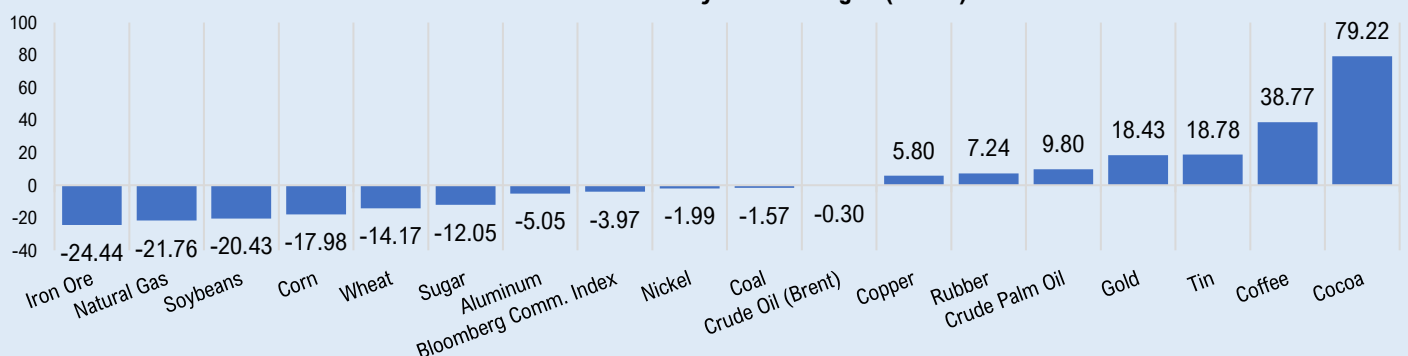
Chart 1. Several Commodity Price Development on a Weekly Basis (W-to-W)



Previous : 07/22/24 – 07/26/24  
Latest : 07/29/24 – 08/02/24

Source: Bloomberg & Investing (2024).

Chart 2. 2024 Commodity Price Changes (%YTD)

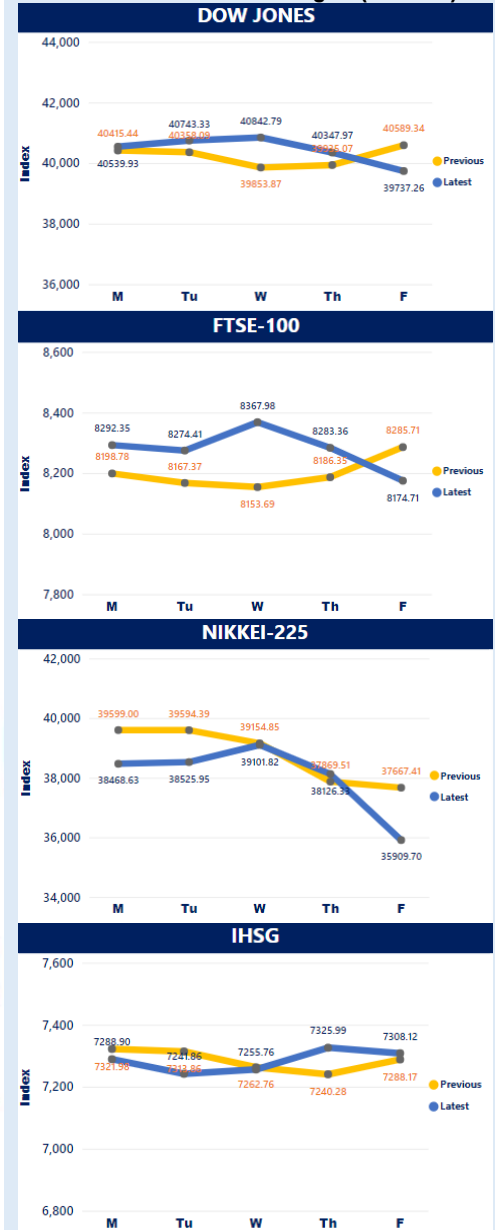




### C. STOCK MARKET DEVELOPMENT

- The Wall Street stock market in the US was hit by a sell-off at the close of weekend trading. On the other hand, the index corrected after a weak jobs report sparked fears of an impending recession. The Dow Jones Industrial Average fell 2.10% in the week to 39,737.26. The S&P 500 index fell 2.60% to 5,346.56. Meanwhile, the Nasdaq Composite Index weakened 3.35% to 16,776.16. On the other hand, it is known that the CBOE Volatility Index, also known as Wall Street's "fear gauge," penetrated its long-term average level by 20 points to touch 29.66, the highest level since March 2023, before closing at 23.39.
- European stock markets also fell over the weekend, along with global market turbulence after the release of US jobs data, which exacerbated fears of a slowdown in the US economy. The financial and technology stock sectors were hardest hit. The DAX index in Germany fell 4.11% WoW to 17,661.22. The FTSE Index in London fell 1.34% WoW to 8,174.71, and the CAC Index in Paris fell 3.54% WoW to 7,251.80. Most European subindexes traded lower. The technology sector fell 6.1% at the weekend, its most significant one-day decline since October 2020, following a sell-off on Wall Street. On the other hand, it is also known that the Market Fear Measuring Index reached its highest level in more than one year at 24.52 points. The financial sector fell 5.20%, while banks fell 4.30%.
- Asian stock markets underperformed following the decline in Wall Street and European stock markets. Japan's Nikkei 225 index recorded its worst performance in more than four years, weighed down by a surging yen and uncertainty about how high domestic interest rates could rise. Within a week, the Nikkei 225 Index fell 4.67% and closed at 35,909.70. Hong Kong's Hang Seng Index fell 0.45% to 80,981.95. Meanwhile, the Shanghai Composite Index recorded a weekly increase of 0.50% to 2,905.34.
- In contrast to global and Asian indices, JCI strengthened 0.27% weekly to 7,308.12 from 7,288.17 at last week's close. The strengthening of the JCI this week was driven by positive sentiment from the dynamics of the Fed, which gave the market hope for monetary policy easing in September 2024. However, the JCI movement was hampered by the contraction in the manufacturing PMI. Within a week, the index strengthening was led by the property and real estate industrial sector, which strengthened 2.95% WoW. At the same time, it was limited by four sectors, which corrected, led by the technology sector, which weakened 2.19% WoW.

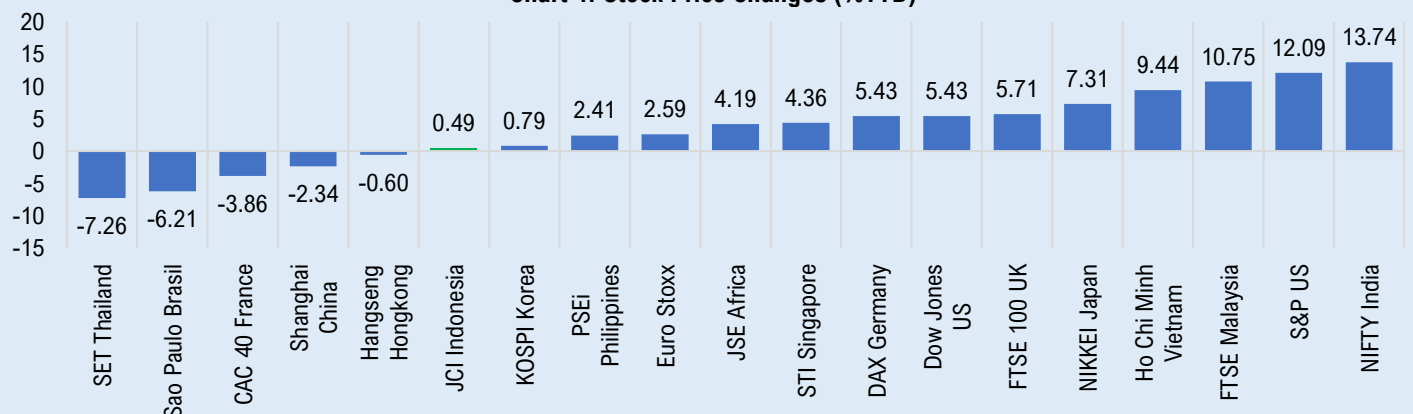
Chart 3. Weekly Stock Price Movements in Several Stock Exchanges (W-to-W)



Previous : 07/22/24 – 07/26/24  
Latest : 07/29/24 – 08/02/24

Source: Bloomberg & Investing (2024).

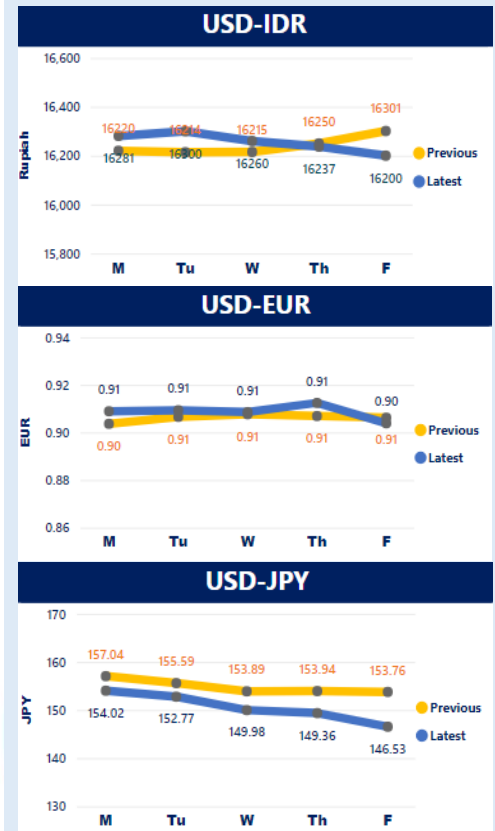
Chart 4. Stock Price Changes (%YTD)



## D. EXCHANGE RATE DEVELOPMENT

- The US dollar index fell to 103.21 (-1.06%) on Friday, August 2, 2024, its sharpest weekly decline this year. The US dollar weakened after the Fed chairman signaled a rate cut at the last meeting, reducing the support for the US dollar. The index has been on a downtrend after peaking at 106.26 in mid-April 2024.
- The euro depreciated last week to EUR1.091 (+0.51%) on Friday, August 2, 2024. The latest inflation report in the eurozone raised doubts about the potential for a European Central Bank (ECB) interest rate cut in September. In contrast, the pound appreciated GBP1.280 (-0.51%) after weakening to GBP1.079 after the central bank announced a rate cut.
- A weaker dollar was a catalyst for strengthening currencies in Asia. The exception was the Indian rupee, which held steady at INR83.75 (+0.03%). The Japanese yen appreciated sharply, closing at JPY146.53 (-4.70%) due to a weaker dollar and an interest rate hike by the Bank of Japan (BoJ). The rate hike boosted the yen after the depreciation forced the Japanese government to spend a record JPY9.8 trillion in late April and early May to halt the currency's decline.
- Meanwhile, South Korea's won also appreciated sharply to KRW1,360 (-1.69%) after foreign capital inflows into the bond market reached USD500.7 million last week. The Malaysian ringgit and Thai baht also appreciated more than 1% to MYR4.50 (-3.45%) and THB35.32 (-1.69%). Likewise, the Chinese yuan and Singapore dollar appreciated above 1%, to CNY7,169 (-1.12%) and SGD1.33 (-1.18%), respectively.
- The rupiah is appreciated more moderately than in several Asian countries. The rupiah closed at IDR16,200 (-0.62%). The weaker dollar and signals of interest rate cuts also supported the rupiah through foreign capital inflows, which reached IDR10.27 trillion in net purchases, including IDR5.77 trillion in the government bond market, IDR2.19 trillion in SRBI and IDR2.31 trillion in the stock market.

Chart 5. Movement of Weekly Exchange Rates in Several Countries (W-to-W)



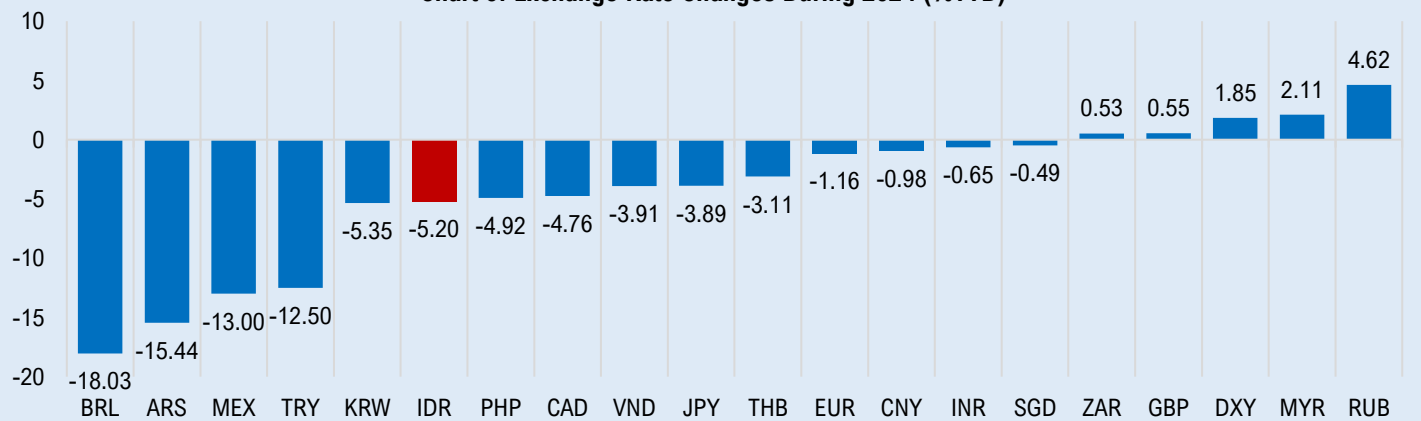
Previous : 07/22/24 – 07/26/24

Latest : 07/29/24 – 08/02/24

Source: Bloomberg & Investing (2024).

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Chart 6. Exchange Rate Changes During 2024 (%YTD)



## E. DEBT SECURITIES MARKET DEVELOPMENT

### 1) Yield

- The US market posted the sharpest yield decline this year. At the end of last week, the 2-year and 10-year yields closed at 3.880% (-50 bps) and 3.790% (-40 bps), respectively. The Fed's last meeting underlined the chances of a rate cut in September, prompting the market to immediately revise its pricing.
- A sharp decline also occurred in the UK, where the 2-year and 10-year yields closed at 3.589% (-31 bps) and 3.827% (-27 bps) after the central bank began its easing cycle by cutting interest rates. Meanwhile, although the 10-year yield fell to 2.172% (-23 bps), the Eurozone 2-year yield rose to 2.564% (+17 bps) amid concerns about inflation in the services component being sticky to fall.
- The decline in yields in the US and several other developed countries catalyzed the 10-year yield in Asia to fall, with Singapore reporting the sharpest decline at 2.782% (-22 bps). A relatively significant percentage decline also occurred in the 10-year yields of Japan and South Korea, to 0.942% (-12 bps) and 2.990% (-12 bps), respectively. Meanwhile, other Asian countries, except Indonesia, reported declines below 10 bps.
- Last week's yield curve tended to be bullish, flattening where the 10-year yield fell more sharply than the 2-year yield, to 6.846% (-14 bps) and 6.625% (-5 bps), respectively. Expectations of interest rate cuts and a decline in US yields, combined with foreign capital inflows, have supported the decline in yields. In addition, the affirmation of Indonesia's sovereign rating by S&P also became a positive catalyst for the bond market's performance.
- Although the market performed positively, marked by a decrease in yield, Indonesia's 5-year CDS tended to increase to 78.59 (+4.92%). The increase in geopolitical tensions brought negative news to the market, increased caution in the global market, and encouraged risk premiums in developing countries.
- The government auctioned 7 Sukuk series last week. The total bids received reached IDR24.68 trillion, or more than six times the amount won of IDR8 trillion. The PBS038 and SPNS29052025 series were the most in-demand, reflected in the bid-to-cover ratio of up to 3.5 times. In the second week of August, the government will auction 8 series of bonds with an indicative target of IDR22.00 trillion and a maximum target of IDR33.00 trillion.

### 2) Index

- The Indonesia Composite Bond Index (ICBI) posted a positive weekly performance by closing at 0.60% and 385.64 (+0.60%). The catalyst came from the solid performance of government and corporate bonds, where both indexes closed up to 377.08 (+0.62%) and 441.17 (+0.36%), respectively.
- The decline in benchmark yields contributed positively to the decrease in 3-year corporate bond yields. Meanwhile, risk premiums tended to be stable last week. The 3-year corporate bond yield fell to 6.579% (-11 bps). The decline pushed the 3-year yield for AAA and AA ratings to 7.214% (-11 bps) and 7.786% (-12 bps), respectively. Meanwhile, the percentage for A ratings fell to 9.558% (-7 bps). Finally, the percentage for BBB ratings fell to 10.961% (-10 bps).

Chart 7. Indonesian Government Bond Yield Curve

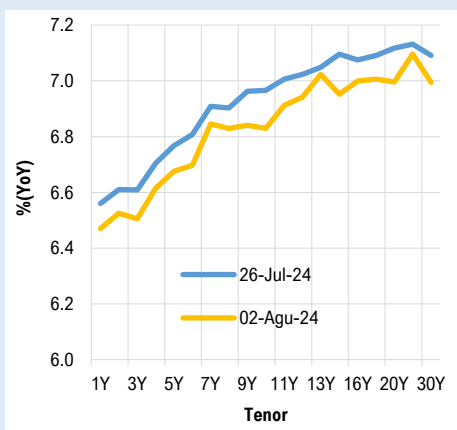


Chart 8. Bond Index

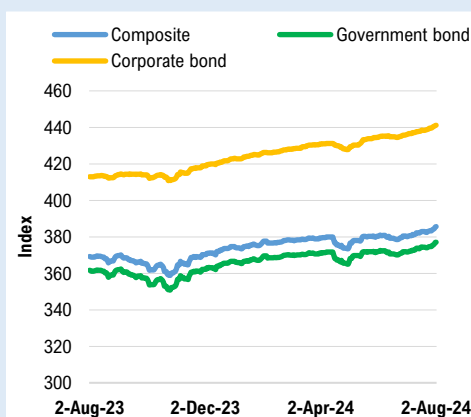
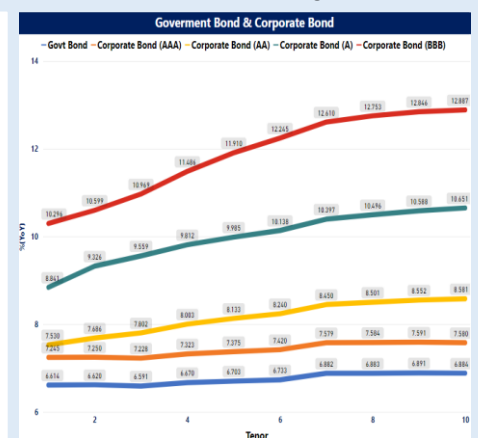


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, August 2, 2024.

Source: Bloomberg (2024), PHEI, processed by PEFINDO.

## F. GOVERNMENT AND CORPORATE BONDS TRADING

**Table 1. The Most Active Government Bonds Transactions During the Week by Volume**

Series	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
FR0101	6.88	15-Apr-2029	250	101.35	6.53	9,258,670
FR98	7.13	15-Jun-1938	15,000	101.50	6.95	4,372,190
PBS032	4.88	15-Jul-2026	2	97.60	6.21	4,037,130
FR81	6.50	15-Jun-2025	519	100.07	6.40	3,761,650
PBS038	6.88	15-Dec-1949	10	99.50	6.92	3,163,780
FR82	7.00	15-Sep-1930	150,000	101.65	6.67	2,629,790
FR97	7.13	15-Jun-1943	30,000	101.30	7.00	2,433,790
FR96	7.00	15-Feb-1933	20,000	100.95	6.85	2,223,660
FR0102	5.88	15-Jul-2028	200	98.35	6.35	2,127,740
FR87	6.50	15-Feb-1931	200	101.50	--	1,754,400

Source: Bloomberg (2024).

**Table 2. The Most Active Corporate Bonds Transactions During the Week by Volume**

Instrument	Rating	Coupon (%)	Maturity Date (mm/dd/yy)	Size (IDR Million)	Price	Yield (%)	Volume (Million Units)
Shelf Registration Bond IV Merdeka Copper Gold Phase VI Year 2024 Series B	idA+	9.00	07/30/27	50	103.00	--	585,740
Shelf Registration Bond III Merdeka Copper Gold Phase I Year 2022 Series B	idA+	7.80	03/08/25	6,000	100.62	6.75	492,000
Shelf Registration Bond III SMART Phase III Year 2022 Series B	idAA-	7.25	02/16/25	110,000	100.13	6.98	480,000
Shelf Registration Bond III Sarana Multi Infrastruktur Phase III Year 2023 Series C	idAAA	6.80	05/17/27	50,000	99.93	6.83	480,000
Shelf Registration Sukuk Ijarah IV Global Mediacom Phase II Year 2024 Series B	idA+(sy)	10.25	06/21/27	5,000	100.00	10.25	379,150
Shelf Registration Bond V Mandiri Tunas Finance Phase III Year 2022 Series A	idAAA	5.90	02/23/25	10,000	99.55	6.72	375,000
Shelf Registration Bond I Lontar Papyrus Pulp & Paper Industry Phase II Year 2022 Series B	idA	9.50	04/22/25	50,000	102.90	5.33	368,400
Shelf Registration Bond III Sinar Mas Multifinance Phase I Year 2023 Series B	irA+	10.25	02/07/26	50,000	102.01	8.82	274,000
Shelf Registration Bond II Lontar Papyrus Pulp & Paper Industry Phase IV Year 2024 Series B	idA	10.75	06/05/27	2,000	100.00	10.75	260,800

Source: Bloomberg (2024).

## G. ISSUANCE AND MATURITY CORPORATE DEBT SECURITIES

### 1) Corporate Debt Securities Issuance

**Table 3. Corporate Debt Securities Issuance**

No.	Company	Instruments	Issuance Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
1	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase VI Year 2024 Series A	Jul-31-2024	250.00	7.25	1	idA+
2	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase VI Year 2024 Series B	Jul-31-2024	1,971.32	9.00	3	idA+
<b>Total</b>				<b>2,221.32</b>			

Source: KSEI, IDX, PEFINDO database.

### 2) Corporate Debt Securities Maturity

**Table 4. Corporate Debt Securities Maturity**

No.	Company	Instruments	Maturity Date	Amount [IDR Billion]	Coupon [%]	Tenor [Years]	Rating
<b>AUGUST 2024</b>							
1	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond III Phase IV Year 2019 Series A	1-Aug-24	637.00	8.00	5	idAAA
2	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Sukuk Ijarah III Phase IV Year 2019 Series A	1-Aug-24	274.00	8.00	5	idAAA(sy)
3	PT BFI Finance Indonesia Tbk	Shelf Registration Bond V Phase II Year 2021 Series C	4-Aug-24	530.00	7.25	3	AA-(Idn)
4	PT Mandala Multifinance Tbk	Shelf Registration Bond IV Phase III Year 2021 Series B	6-Aug-24	150.00	9.50	3	idAAA
5	PT Corpus Prima Mandiri	MTN I Year 2019 Series E	8-Aug-24	30.05	12.00	5	-
6	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase III Year 2023 Series A	11-Aug-24	1,084.49	6.75	1	idA+
7	PT Samudera Indonesia Tbk	Shelf Registration Sukuk Ijarah I Phase I Year 2023 Series A	12-Aug-24	210.83	6.95	1	idA+(sy)
8	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Bond II Phase II Year 2023	15-Aug-24	110.35	7.00	1	idA
9	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Sukuk Ijarah II Phase II Year 2023	15-Aug-24	59.65	7.00	1	idA(sy)
10	PT Timah Tbk	Shelf Registration Bond I Phase II Year 2019 Series B	15-Aug-24	493.00	8.75	5	idA
11	PT Timah Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2019	15-Aug-24	313.00	8.75	5	idA(sy)
12	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond III Phase V Year 2017 Series C	15-Aug-24	1,786.00	8.25	7	idAAA
13	PT Wahana Inti Selaras	Bond II Year 2023 Series A	18-Aug-24	997.58	6.75	1	idA
14	PT Bank CIMB Niaga Tbk	Shelf Registration Sukuk Mudharabah I Phase II Year 2019 Series C	21-Aug-24	429.00	8.25	5	idAAA(sy)
15	PT JACCS Mitra Pinasthika Mustika Finance Indonesia	Shelf Registration Bond I Phase II Year 2023 Series A	21-Aug-24	170.00	6.25	1	AA(idn)
16	PT Tibi Modern Sentosa	MTN I Year 2019 Series A	23-Aug-24	30.00	11.00	5	-
17	PT Bank Rakyat Indonesia (Persero) Tbk	Shelf Registration Bond II Phase III Year 2017 Series C	24-Aug-24	2,517.00	8.25	7	idAAA
18	PT Sinar Mas Multiartha Tbk	Shelf Registration Bond II Phase II Year 2022 Series B	26-Aug-24	13.10	8.00	2	irAA
19	PT Adhi Karya (Persero) Tbk	Shelf Registration Bond III Phase II Year 2021 Series B	24-Aug-24	473.50	9.55	3	idA-
20	PT Wika Realty	MTN IX Year 2019	28-Aug-24	545.00	12.00	5	idBB+
21	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond II Phase II Year 2019 Series C	28-Aug-24	1,033.00	8.10	5	idAAA
22	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Sukuk Mudharabah I Phase III Year 2019 Series C	28-Aug-24	84.00	8.10	5	idAAA(sy)
23	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Bond V Phase II Year 2019 Series B	28-Aug-24	780.00	8.10	5	idAAA
<b>Total</b>				<b>12,750.54</b>			



### SEPTEMBER 2024

1	PT Armidian Karyatama Tbk	MTN Syariah Mudharabah I Year 2019 Series A	2-Sep-24	100.00	Floating	5	-
2	PT Bank UOB Indonesia	Shelf Registration Bond III Phase I Year 2021	2-Sep-24	100.00	5.65	3	AAA(idn)
3	PT PP Properti Tbk	Shelf Registration Bond II Phase III Year 2021 Series B	2-Sep-24	164.00	11.00	3	idBB-
4	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase VI Year 2019 Series C	3-Sep-24	6.00	8.10	5	idAAA
5	PT Perkebunan Nusantara IV	Sukuk Ijarah II Year 2019 Series F	3-Sep-24	105.00	11.60	5	idA-(sy)
6	PT Pegadaian	Shelf Registration Bond V Phase IV Year 2023 Series A	4-Sep-24	2,205.14	5.90	1	idAAA
7	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond IV Phase II Year 2023 Series A	5-Sep-24	207.05	6.50	1	idA+
8	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah III Phase II Year 2023 Series A	5-Sep-24	192.95	6.50	1	idA+(sy)
9	PT Utama Karya (Persero)	Shelf Registration Bond II Phase I Year 2021 Series A	7-Sep-24	33.50	8.25	3	idAA-
10	PT Utama Karya (Persero)	Shelf Registration Sukuk Mudharabah I Phase I Year 2021 Series A	7-Sep-24	16.50	8.25	3	idAA-(sy)
11	PT Sinar Mas Multiartha Tbk	Shelf Registration Bond II Phase I Year 2021 Series C	7-Sep-24	119.00	8.75	3	irAA
12	PT Angkasa Pura I	Shelf Registration Bond I Phase I Year 2021 Series A	8-Sep-24	272.50	6.70	3	idAAA
13	PT Angkasa Pura I	Shelf Registration Sukuk Ijarah I Phase I Year 2021 Series A	8-Sep-24	215.00	6.70	3	idAAA(sy)
14	PT Polytama Propindo	Bond II Year 2021 Series A	8-Sep-24	70.00	6.50	3	idAAA(cg)
15	PT Wijaya Karya (Persero) Tbk	Shelf Registration Bond II Phase I Year 2021 Series A	8-Sep-24	571.00	8.25	3	idBBB-
16	PT Wijaya Karya (Persero) Tbk	Shelf Registration Sukuk Mudharabah II Phase I Year 2021 Series A	8-Sep-24	325.50	8.25	3	idBBB-(sy)
17	PT Bank KB Bukopin Tbk	Shelf Registration Bond I Phase I Year 2021	9-Sep-24	1,000.00	6.25	3	AAA(idn)
18	PT Jatim Watkoraya	MTN I Year 2018 Series C	9-Sep-24	25.00	11	5	-
19	PT Medco Energi Internasional Tbk	Shelf Registration Bond IV Phase I Year 2021 Series A	9-Sep-24	400.00	7.75	3	idAA-
<b>Total</b>				<b>8,834.29</b>			

### OCTOBER 2024

1	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond III Phase V Year 2019 Series A	Oct-1-2024	795.70	7.90	5	idAAA
2	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Sukuk Ijarah III Phase V Year 2019 Series A	Oct-1-2024	6.50	7.90	5	idAAA(sy)
3	PT Bank Mayapada Internasional Tbk	Shelf Registration Subordinated Bond I Phase I Year 2017	Oct-3-2024	1,000.00	10.75	7	idBBB-
4	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Bond IV Phase VI Year 2019 Series C	Oct-4-2024	190.00	8.10	5	idAAA
5	PT Dayamitra Telekomunikasi Tbk	MTN Year 2023	Oct-6-2024	550.00	6.20	1	idAAA
6	PT Sawitmas Parenggean	MTN I Year 2019 Series B	Oct-8-2024	37.00	12.00	5	-
7	PT Toyota Astra Financial Services	Shelf Registration Bond IV Phase II Year 2023 Series A	Oct-13-2024	401.44	6.00	1	AAA(idn)
8	PT Summarecon Agung Tbk	Shelf Registration Bond III Phase II Year 2019 Series B	Oct-15-2024	200.00	9.50	5	idA+
9	PT Lontar Papyrus Pulp & Paper Industry	Shelf Registration Bond II Phase II Year 2023 Series A	Oct-16-2024	85.74	6.50	1	idA
10	PT MNC Energy Investments Tbk	Shelf Registration Bond I Phase I Year 2023 Series A	Oct-16-2024	250.00	10.75	1	idA-
11	PT MNC Energy Investments Tbk	Shelf Registration Sukuk Wakalah I Phase I Year 2023 Series A	Oct-16-2024	100.00	10.75	1	idA-(sy)
12	PT Bank UOB Indonesia	Shelf Registration Subordinated Bond I Phase II Year 2017	Oct-17-2024	500.00	9.25	7	AA(idn)
13	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	Shelf Registration Bond I Phase III Year 2019 Series B	Oct-18-2024	108.00	8.50	5	idAA
14	PT Sawitmas Parenggean	MTN I Year 2019 Series C	Oct-18-2024	36.00	12.00	5	-
15	PT Sinar Mas Agro Resources and Technology Tbk	Shelf Registration Bond III Phase II Year 2021 Series B	Oct-19-2024	1,065.00	8.50	3	idAA-
16	PT Bali Towerindo Sentra Tbk	Shelf Registration Sukuk Ijarah I Phase II Year 2023	Oct-21-2024	425.00	7.65	1	A-(idn)(sy)
17	PT Astra Sedaya Finance	Shelf Registration Bond V Phase III Year 2021 Series B	Oct-22-2024	1,459.06	5.30	3	idAAA

18	PT Oki Pulp & Paper Mills	Shelf Registration Bond I Phase I Year 2023 Series A	Oct-22-2024	300.00	6.50	1	idA+
19	PT Oki Pulp & Paper Mills	Shelf Registration Green Bond I Phase I Year 2023 Series A	Oct-22-2024	200.00	6.50	1	idA+
20	PT Astra Sedaya Finance	Shelf Registration Bond IV Phase III Year 2019 Series C	Oct-23-2024	236.16	7.95	5	idAAA
21	PT Bank Rakyat Indonesia (Persero) Tbk	Shelf Registration Green Bond I Phase II Year 2023 Series A	Oct-27-2024	1,345.65	6.10	1	idAAA
22	PT Federal International Finance	Shelf Registration Bond V Phase II Year 2021 Series B	Oct-27-2024	774.67	5.30	3	idAAA
23	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase VII Year 2019 Series C	Oct-29-2024	25.50	8.10	5	idAAA
24	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond II Phase III Year 2019 Series C	Oct-30-2024	481.00	7.95	5	idAAA
25	PT Sarana Multigriya Finansial (Persero)	Shelf Registration Bond VII Phase II Year 2023 Series A	Oct-30-2024	1,212.80	6.19	1	idAAA
<b>Total</b>				<b>11,785.22</b>			

### NOVEMBER 2024

1	PT Perusahaan Listrik Negara (Persero)	Shelf Registration Bond II Phase II Year 2017 Series B	Nov-3-2024	201.00	7.50	7	idAAA
2	PT Astra Sedaya Finance	Shelf Registration Bond VI Phase II Year 2023 Series A	Nov-6-2024	188.55	6.05	1	AAA(idn)
3	PT Bank Rakyat Indonesia (Persero) Tbk	Shelf Registration Bond III Phase I Year 2019 Series C	Nov-7-2024	2,172.80	7.85	5	idAAA
4	PT Marga Lingkar Jakarta	Bond I Year 2017 Series C	Nov-8-2024	299.00	8.30	7	idAAA(sf)
5	PT Indosat Tbk	Shelf Registration Bond II Phase II Year 2017 Series D	Nov-9-2024	21.00	7.95	7	idAAA
6	PT Indosat Tbk	Shelf Registration Sukuk Ijarah II Phase II Year 2017 Series D	Nov-9-2024	13.00	7.95	7	idAAA(sy)
7	PT Lautan Luas Tbk	Shelf Registration Bond III Phase II Year 2021 Series A	Nov-12-2024	315.00	9.00	3	idA
8	PT Capital Financial Indonesia Tbk	MTN I Year 2021	Nov-17-2024	1,000.00	8.00	3	irA-
9	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Bond VI Phase II Year 2023 Series A	Nov-19-2024	834.39	6.15	1	idAAA
10	PT Adira Dinamika Multi Finance Tbk	Shelf Registration Sukuk Mudharabah V Phase II Year 2023 Series A	Nov-19-2024	251.17	6.15	1	idAAA(sy)
11	PT Indomobil Finance Indonesia	Shelf Registration Bond IV Phase II Year 2021 Series B	Nov-19-2024	52.80	6.50	3	idAA-
12	PT Metro Healthcare Indonesia Tbk	MTN I Year 2021	Nov-19-2024	650.00	8.50	3	irBBB+
13	PT Perkebunan Nusantara IV	MTN IV Year 2019	Nov-20-2024	40.00	8.75	5	idA-
14	PT Kereta Api Indonesia (Persero)	Bond I Year 2017 Series B	Nov-21-2024	1,000.00	8.25	7	idAAA
15	PT Medco Energi Internasional Tbk	Shelf Registration Bond IV Phase II Year 2021 Series A	Nov-23-2024	941.81	7.75	3	idAA-
16	PT Bank Rakyat Indonesia (Persero) Tbk	MTN Year 2022 Series A	Nov-24-2024	2,000.00	6.60	2	-
17	PT Bank BTPN Tbk	Shelf Registration Bond IV Phase I Year 2019 Series B	Nov-26-2024	201.00	7.75	5	AAA(idn)
18	PT Bank Mandiri Taspen	Shelf Registration Bond I Phase I Year 2019 Series B	Nov-26-2024	300.00	8.20	5	AA(idn)
19	PT Federal International Finance	Shelf Registration Bond VI Phase II Year 2023 Series A	Nov-26-2024	849.22	6.40	1	idAAA
20	PT Pembangunan Perumahan (Persero) Tbk	Shelf Registration Bond II Phase II Year 2019 Series B	Nov-27-2024	250.00	8.50	5	idA
21	PT Permodalan Nasional Madani	Shelf Registration Bond III Phase II Year 2019 Series B	Nov-28-2024	763.50	8.75	5	idAA+
<b>Total</b>				<b>12,344.23</b>			

Notes: \*) Amount in USD excluded.  
Source: KSEI, IDX, PEFINDO database.

## H. NEWS ANALYSIS

**Table 5. News Highlight Over The Past Week**

Industries	News Headlines and Analysis
<b>Automotive</b>	<b>Automotive Sector Flooded with Tax Incentives Again (Harian Kontan-26/07/2024).</b> This policy is to boost car sales volume again while turning the wheels of the national economy. Because, when the government does not provide tax incentives, in the first semester, car sales decline. The decline in sales in the first semester of 2024 occurred because, First, the government-borne luxury goods sales tax incentive (PPnBM DTP) which ends in 2023. Second, related to the regulation on leasing for motor vehicles which is considered too strict.
<b>Banking</b>	<b>Banks are Plagued by an Increase in Non-Performing Loans of Micro, Small and Medium Enterprises (MSMEs) (Harian Kontan-26/07/2024).</b> Several main causes may cause an increase in non-performing loans in the MSME sector, including high inflation rates can increase production and operational costs, which reduce MSME profit margins; Interest rate increases by the central bank can increase the burden of loan interest, making it more difficult for MSMEs to meet their credit obligations. In addition, even though the COVID-19 pandemic has ended, the slow economic recovery could leave MSMEs struggling to fully recover, affecting their cash flow, and sudden government policies or strict regulations could add to the burden on MSMEs.
<b>Food and Beverages</b>	<b>Processed and Ready-to-Eat Food Will Be Subject to Excise (Harian Kontan-31/07/2024).</b> The plan is reinforced by Government Regulation Number 28 of 2024 concerning the Implementing Regulations of Law No. 17/2023 concerning Health. There are several reasons why the government might impose an excise on processed and ready-to-eat food: First, an Excise on processed and ready-to-eat food aims to reduce the consumption of foods high in fat, sugar, and salt (junk food). Second, imposing excise can encourage people to pay more attention to their diet and choose healthier options. Third, diseases caused by unhealthy diets add to the cost burden on the public health system. Fourth, with excise, food producers may be encouraged to create healthier products to avoid additional taxes.
<b>Insurance and Guarantee</b>	<b>House of Representatives Says Mandatory Motor Vehicle Insurance is Not Urgent (Bisnis Indonesia-29/07/2024).</b> There are several reasons why the mandatory motor vehicle insurance regulation does not need to be implemented, including: First, many people are still in difficult economic conditions. Adding the burden of mandatory vehicle insurance can be considered burdensome, especially for those with low incomes. Second, it is better to resolve insurance company problems first, such as the default cases that hit several insurance companies, namely Asuransi Jiwa Bersama (AJB) Bumiputera, Jiwasraya, Kresna Life, and Wanaartha Life, rather than implementing mandatory motorcycle and car insurance. Third, implementing mandatory insurance requires a mature system and adequate infrastructure for supervision and law enforcement.
<b>Metal and Gold</b>	<b>Steel Product Exports Threatened by China and The European Union (Harian Kontan-30/07/2024).</b> This follows the discourse on extending anti-dumping duties on steel products implemented by the Chinese Government because so far China has been the main market for Indonesian steel exports as well as import tightening policies from other countries. Unfortunately, at the same time, the European Union (EU) is also tightening the flow of imported goods through the Carbon Border Adjustment Mechanism (CBAM) policy which also targets iron and steel starting in January 2026. On the other hand, Indonesia is minimal in implementing trade remedies policies, making it vulnerable to being the target of steel product imports from other countries.
<b>Mining</b>	<b>The Investment Climate in The Oil and Gas Industry Has Declined Drastically (Harian Kontan-26/07/2024).</b> The main problem with investment in upstream oil and gas is the overlapping licensing and authority between ministries and institutions. In addition, environmental permit approvals, regulations related to marine and agricultural space, less conducive oil and gas taxation, and lack of support from local governments have also hampered investment in upstream oil and gas. Meanwhile, upstream oil and gas investment is currently also hampered by the issue of energy transition which has caused investors to leave and decide to invest in their respective countries of origin.
<b>Multifinance</b>	<b>Leasing Issuers' Profits Eroded (Harian Kontan-31/07/2024).</b> This happened, among other things, starting from the election, the large number of holidays, to geopolitical conditions that affect people's purchasing power. In addition, the decline in the performance of financing companies is the increase in operational and administrative costs.
<b>Plantation</b>	<b>La Nina's Blessings and Disasters for World Food (Bisnis Indonesia-30/07/2024).</b> For information, it is estimated that the La Nina storm will likely form at the end of this year, bringing blessings to cocoa whose prices have skyrocketed uncontrollably due to drought and pests that disrupt production. On the other hand, the storm also harms sugar production. This is because, during La Nina, tropical areas near the Pacific Ocean will be cooler than average, triggering a variety of potential impacts, ranging from stronger rains in

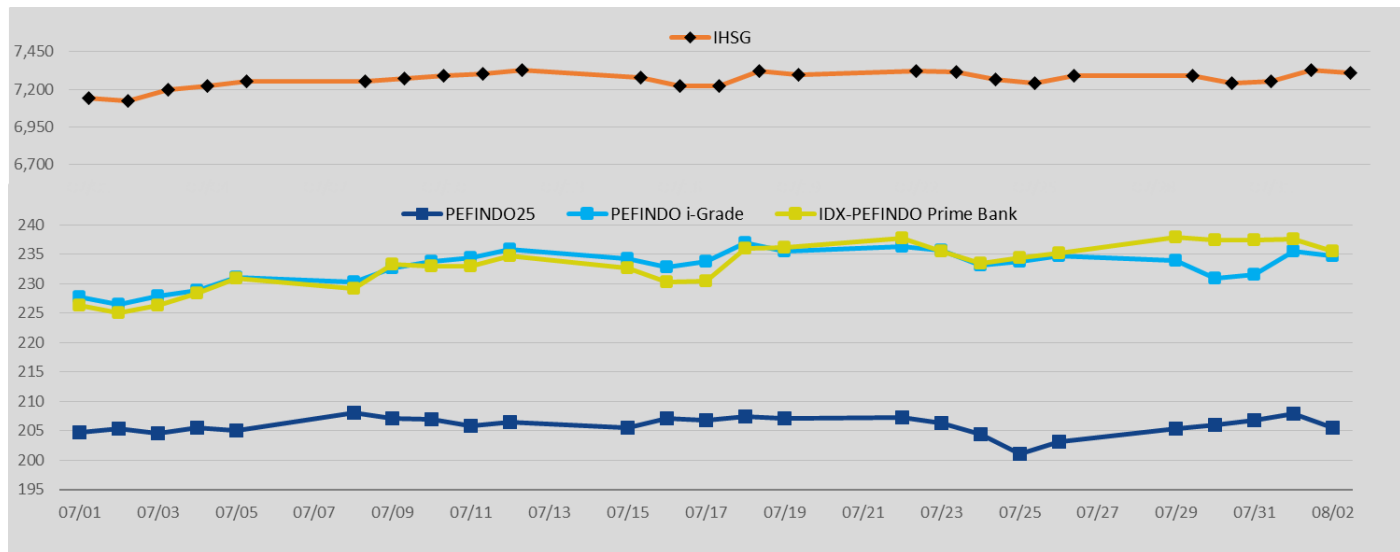
Industries	News Headlines and Analysis
	Asia to dry conditions in parts of South America. There is no global weather pattern that benefits everyone, and the strength and timing of La Nina are still unclear.
<b>Power and Energy</b>	<b>National New and Renewable Energy (<i>Energi Baru Terbarukan/EBT</i>) Investment Stagnation (Bisnis Indonesia-30/07/2024).</b> One of these obstacles is the obligation to partner with a subsidiary of the State Electricity Company (PLN), where PLN will have a majority share of at least 51% which ultimately reduces investor interest in the renewable energy sector in Indonesia. In addition, several regulations also contribute to making the EBT investment climate in Indonesia tend to be unattractive when compared to global investment flows which have increased over the past 7 years.
<b>Property</b>	<b>Hope and Anxiety Over Housing Subsidy Quota (Bisnis Indonesia-27/07/2024).</b> The reason is that until now the government through the Ministry of Finance has not responded at all regarding this matter. As is known, the subsidized housing quota allocated by the government throughout 2024 reached 166,000 units, while the Ministry of Public Works and Public Housing noted that as of June 13, 2024, absorption had reached 80,950 units. Imagine if for now, with 200,000 or 165,000 [housing financing liquidity facility ( <i>Fasilitas Likuiditas Pengelola Perumahan/FLPP</i> ) quota units] or less than last year, it means that the message is not good regarding policy certainty, especially meaning there is no bias. This FLPP program is very important in efforts to overcome the problem of inequality in home ownership or housing backlog which is currently recorded at 9.9 million units.
<b>Seaport</b>	<b>Observing Port Operator Readiness (Bisnis Indonesia-31/07/2024).</b> As is known, the government will move the import gates for several strategic products to ports in eastern Indonesia. The impact of this move has the potential to boost trade performance in this region. The two ports being considered are Bitung, North Sulawesi, and Sorong, Southwest Papua. This is done so that import and export activities are not only dominated by ports in the western region but can also go to eastern Indonesia.
<b>Trading and Distribution</b>	<b>Indonesia Opens Way to Reduce Trade Deficit (Bisnis Indonesia-01/08/2024).</b> This was done in line with the start of the Indonesia-Gulf Cooperation Council Free Trade Agreement. The reason is, that the export value with the Gulf Cooperation Council (GCC) countries consisting of Saudi Arabia, Qatar, the United Arab Emirates, Bahrain, Oman, and Kuwait is US\$6.1 billion, while the import value is US\$9.6 billion. Indonesia's large trade deficit with the GCC is due to the lack of variety of commodities traded to the Gulf countries. This is because, until now, Indonesia has relied more on trade in the labor services sector. For trade in goods, it is still low because there are obstacles such as different standards and the absence of a trade agreement that binds both parties.
<b>Vehicle Rental and Transportation</b>	<b>New Chapter of National Aviation (Bisnis Indonesia-30/07/2024).</b> For information, the government conducted a 'flying taxi' trial in Samarinda, East Kalimantan which was successful. This puts Indonesia on par with other countries that are currently developing advanced air mobility as a solution for urban areas. In this trial, Sky Taxi flew at speeds of up to 50 km/hour and reached a height of around 50 meters. The development of Sky Taxi technology in East Kalimantan as a candidate for the National Capital City (IKN) of the Archipelago will consider four main aspects, including: technological reliability, interoperability, value for money, and transfer.

Source: Harian Kontan and Bisnis Indonesia (2024).



## PEFINDO Stock Index Development

Chart 11. PEFINDO Stock Index Performance



Source: IDX, Bloomberg (2024).

Table 6. PEFINDO Stock Index Weekly Changes

Periode	Unit	IHSG	PEFINDO25	PEFINDO i-Grade	Prime Bank
7/5/2024	% (WoW)	2.69%	-0.01%	2.01%	2.58%
7/12/2024	% (WoW)	1.02%	0.76%	2.06%	1.65%
7/19/2024	% (WoW)	-0.45%	0.25%	-0.10%	0.59%
7/26/2024	% (WoW)	-0.09%	-1.87%	-0.33%	-0.37%
8/2/2024	% (WoW)	0.27%	1.15%	-0.06%	0.11%

Source: IDX, Bloomberg (2024).

## PEFINDO PUBLICATION

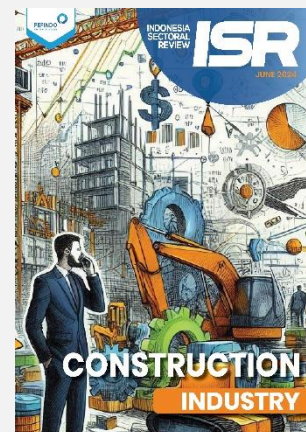
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