

WEEKLY ECONOMIC UPDATE

Period of September 16 – 20, 2024

Presented by:

Economic Research Division, PT Peningkat Efek Indonesia (PEFINDO)

EXECUTIVE SUMMARY

- The period of 16-20 September, was filled with various news related to the interest rate policies of each country's central bank. The United States (US) finally carried out monetary easing for the first time since March'20 with a 50 bps cut. The Bank of England, Bank of Japan, and People's Bank of China still kept their benchmark interest rates unchanged. Meanwhile, Banko Sentral Ng Pilipinas cut the Reserve Requirement Ratio. In addition, there was a labor market report from the Eurozone stating that hourly labor costs in Q2-2024 increased by 4.7% YoY and the unemployment rate in Singapore fell to 2.0%. Inflation developments in the UK were reported to remain at 2.2%, while in Japan it increased to 3%.
- Domestically, Bank Indonesia surprisingly cut interest rates by 25 bps to 6.00%. Meanwhile, the Aug'24 trade balance report reported a surplus of USD2.90 billion. Indonesia's External Debt Report in Jul'24 grew 4.1%, mainly due to an increase in public sector external debt.
- The majority of commodities posted weekly price gains, in line with the Fed's interest rate cut and related supply tightening as well as renewed tensions in the Middle East.
- Wall Street, European, and Asian stock markets jumped significantly in trading last week after the Fed cut interest rates significantly. However, in the Indonesian stock exchange, JCI recorded a decline of 0.88% amid news about the release of a share in the FTSE Russell index, and US Treasuries fell.
- The US dollar index fell to its lowest level since January. Last week's rate cut weakened the dollar, which has been supported by higher interest rates in the US market compared to other countries. The weaker dollar has helped most US currencies strengthen. The exceptions were the Japanese yen and South Korean won. The Japanese yen depreciated after the latest data showed the country reported a wider trade deficit than the previous month.
- In contrast to the yen and won, the Indian rupee and yen appreciated. The Malaysian ringgit and Thai baht appreciated more sharply. The rupiah appreciated more than 1%, with a weaker dollar and significant foreign capital inflows.
- The US market was bearish last week. Investors had anticipated last week's rate cut, so yields had fallen in the previous few weeks, pushing yields back to normal after being inverted on stronger soft landing expectations. Yields also rose in the Eurozone. The UK market rose higher after the latest inflation data showed a pick-up.
- The 10-year yield performed mixed in Asia. In South Korea and Singapore, the percentage rose. Conversely, the rate fell in China and India. Meanwhile, the percentage was stable in Japan. Yields fell sharply in the domestic market, sharper than the Asian countries above. The positive sentiment came from the Fed's interest rate cut, widening its spread to domestic interest rates because, simultaneously, Bank Indonesia cut at a rate 25 bps lower than the Fed. The SRBI auction recorded significant incoming bids. The 12-month SRBI yield requested in the auction fell below 7%.
- In the period September 16-20, 2024, there were issuances of bonds that reached IDR1.10 trillion. Meanwhile, throughout September 2024, PEFINDO recorded debt securities that matured at IDR8.83 trillion. Then in October 2024, November 2024, and December 2024, each was valued at IDR11.79 trillion, IDR12.34 trillion, and IDR16.07 trillion.
- Throughout this week, we highlighted news from 11 (eleven) industrial sectors. Among the eleven industries, we made news from the metal and gold industry with the title "Industrial Metal Prices Rise" and from the multifinance industry entitled "The Impact of Indirect Interest Rate Decrease Felt in The Financing Industry" as the main highlight of our selected news.

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A. MACROECONOMIC DEVELOPMENT

1) Global Economic Development

- The Federal Reserve finally cut the Fed Fund Rate (FFR) by 50 bps to 4.75% - 5.00%. The cut was the first since Mar'20 and ended speculation about whether the central bank would take a conservative step with a 25 bps cut. The Fed also released its new economic projections, where they will cut interest rates by 100 bps by the end of this year which means there will be 2 more 25 bps cuts. For 2025, the Fed is expected to cut by 100 bps followed by a 50 bps cut in 2026.
- Hourly labor costs in the Eurozone rose 4.7% YoY in Q2-2024, (slowing from Q1-2024: 5%). On an annual basis, the wage and salary component per hour worked grew 4.5% YoY (down from Q1-2024: 5.2%), while the non-wage component increased 5.2% YoY. Across the currency bloc's major industrial sectors, labor costs rose by 5.3% in construction, 4.8% in manufacturing, and 4.5% in services. Among the largest euro area economies, labor costs rose sharply in Germany (5.1%), followed by France (3.7%) and Italy (3.3%). Meanwhile, significant increases were recorded in Bulgaria (15.4%), Croatia (17.6%), and Romania (15%).
- The UK inflation rate in Aug'24 remained at 2.2%, as per the previous month and in line with expectations. The main contributor to the month's stiff inflation came from air fares (11.9%), mainly on European routes. Price levels also accelerated in the recreation and culture (4%) and transport (1.3%) components. On the other hand, the components that weighed on inflation came from the average decline in petrol prices (-2.1 pence per liter), food prices (1.3%), and restaurant and hotel prices (4.3%).
- The Bank of England kept its key interest rate unchanged at 5% following its August easing. This decision was in line with market expectations, although one Committee member voted to cut it by 25 bps. In addition, the Committee agreed to reduce the supply of UK government bonds by GBP100 bn over the next 12 months, bringing the figure to GDP558 bn.
- Japan's inflation rate rose to 3.0% in Aug'24 (Jul'24: 2.8%) and was the highest since Oct'23. Electricity prices rose the most since Mar'81 (26.2%) and gas prices rose the most in 1.5 years (11.1%) following the end of energy subsidies in May'24. Almost all other price components increased, except for health services (1.5%), as well as transport (0.2%) and other goods (0.8%). Core inflation also increased and was the highest in the last 6 months at 2.8%.
- The Bank of Japan (BoJ) unanimously kept its key short-term interest rate unchanged at around 0.25%, the highest level since 2008, in line with market consensus. The decision underscored that the central bank is in no hurry to raise interest rates further after raising them twice this year (March and July). The board indicated it needed time to monitor financial markets amid hawkish views from some board members. The BoJ also maintained its assessment that Japan's economy remains on a moderate recovery path, despite some areas of weakness.
- The People's Bank of China kept the 1-year loan prime rate (LPR) at 3.35% and the 5-year LPR at 3.85%. Both are at record lows following cuts in July. The central bank also suspended its medium-term lending facility (MLF) for the second time in two months, as the PBoC plans to let short-term rates play a bigger role in guiding the market. The move comes amid a US interest rate cut and China's economic activity, which as of August has yet to show any definite signs of recovery.
- The Bangko Sentral ng Pilipinas cut the reserve requirement ratio (RRR) for universal and commercial banks by 250bps to 7%, another significant reduction in just over a year. The bank also lowered the RRR for digital banks to 4%, thrift banks to 1%, and rural and cooperative banks to 0%. The policy is effective from 25 October and will apply to local currency deposits and deposit-reserving liabilities of banks and non-bank financial institutions with quasi-banking functions. The BSP noted that the adjustment is in line with its ongoing efforts to reduce distortions in the financial system. The reduction will lower intermediation costs and lead to better prices for financial services.
- Singapore's unemployment rate (seasonally adjusted) eased to 2.0% in Q2-2024 (2.1% in Q1-2024 and the highest in 1.5 years). Job losses remained low, although they increased slightly (3,270 vs. 3,030 in Q1) amid business reorganization. Meanwhile, employment surged (11,300 vs. 4,700) as economic activity resumed. Labor demand remained strong, amid stable job vacancies (at 81,200). The ratio of job vacancies to unemployment rose to 1.67 (1.56 in Q1-2024).

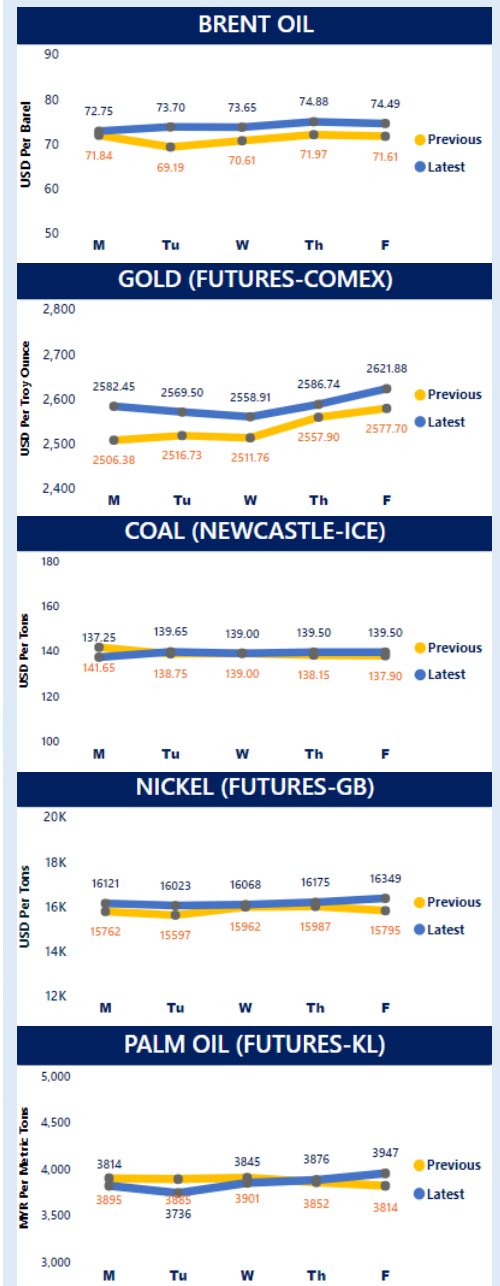
2) Domestic Economic Development

- Bank Indonesia cut the BI-Rate by 25 bps to 6.00%, beyond market expectations that the interest rate would be maintained. This cut is the first since Jan'21, consistent with the projection of low inflation, a strengthening rupiah, and economic growth that needs to be pushed higher. Along with the adjustment, the overnight deposit facility and lending facility rates were also lowered to 5.25% and 6.75%.
- Indonesia's trade balance in Aug'24 experienced a surplus of USD2.90 billion (Jul'24: USD0.50 billion; Aug'23: USD3.20 billion). This surplus is a surplus for 52 consecutive months since May '20. The surplus was supported by a non-oil and gas sector surplus of USD4.34 billion but reduced by an oil and gas sector deficit of USD1.44 billion. Cumulatively from Jan-Aug'24, the trade balance surplus decreased and reached USD18.85 billion (Jan-Aug'23: USD24.32 billion).
- Indonesia's External Debt (ULN) in Jul'24 grew 4.1% YoY to USD414.3 billion, mainly driven by an increase in public sector ULN. Government ULN grew 0.6% YoY to USD194.3 billion (Jun'24: -0.8% YoY) in line with the withdrawal of foreign loans and an increase in foreign capital inflows in the Government Securities (SBN). On the other hand, private external debt contracted -0.1% YoY to USD195.02 billion, driven by non-financial corporate external debt which recorded an external debt contraction of -0.04% YoY. Structurally, Indonesia's external debt remains healthy with an external debt-to-GDP ratio of 30.2%, and is dominated by long-term external debt with a share of 84.9% of total external debt.

B. COMMODITY MARKET DEVELOPMENT

- Oil prices eased slightly over the weekend but recorded gains for the second week, supported by a cut in US interest rates and a drop in US supply to the lowest level in a year. However, signs of an economic slowdown in China, a major consumer of commodities, kept prices from rising. Brent crude oil prices recorded a weekly gain of 4.02% WoW to USD74.49 per barrel. On the other hand, it is known that around 6.00% of crude oil production and 10% of natural gas production in the US Gulf of Mexico are still not operational due to the impact of Hurricane France. Rising tensions in the Middle East, which raise the risk of supply disruptions, also boosted oil markets.
- Gold prices closed at USD2,621.88 at the weekend, extending a rally driven by US interest rate cuts and rising tensions in the Middle East. The price of this safe-haven asset has risen more than 24.00% in 2024, becoming the most significant annual increase since 2010, as investors seek protection from uncertainty resulting from prolonged conflicts in the Middle East and elsewhere. Within a week, gold prices posted a rise of 1.71% WoW. Analysts predict that gold prices will continue to move upward and become attractive for investors, in line with the weakening US dollar, interest rates starting to move down, and geopolitical uncertainty.
- Coal prices strengthened again and recorded a weekly increase of 1.16% WoW. The rise in coal prices was driven by the dovish attitude of The Federal Reserve, which finally decided to cut interest rates in the United States. On the other hand, this is supported by reduced Chinese production due to heavy rain, increased safety inspections at mines, and increased consumer demand in preparation for the Golden Week celebrations in China next October. However, the strength of coal is still limited by the decline in the coal market share in electricity generation, which is below 60.00% for the first time.
- Nickel prices have jumped significantly in the last week, increasing by 3.51% WoW. The strengthening of nickel prices was driven by the projected La Nina phenomenon, which would cause a decrease in production and an increase in the prices of mining commodities, such as nickel. If we look at several La Nina events that have occurred, the impact on reduced production and increased prices could be in the range of 20%-40% from normal conditions.
- CPO prices posted a weekly gain of 3.49%. CPO prices are moving in a bullish trend. The main sentiment influencing CPO price movements comes from the tight supply of CPOs in the global market. The latest data from Malaysia shows that CPO production in the world's second-largest producing country fell by 4% from 1-15 September. Apart from that, Indonesia's CPO production as the world's first largest producer is projected to decline by 1 million tons in 2024, triggered by stagnant productivity and plantation land and increasing domestic consumption due to mandatory biodiesel.

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

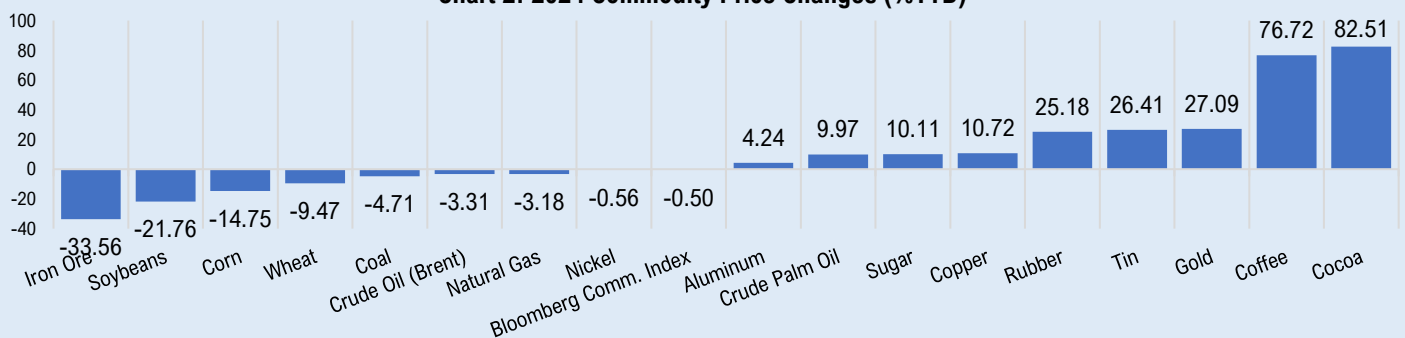


Previous : 09/09/24 – 09/13/24

Latest : 09/16/24 – 09/20/24

Source: Bloomberg & Investing (2024).

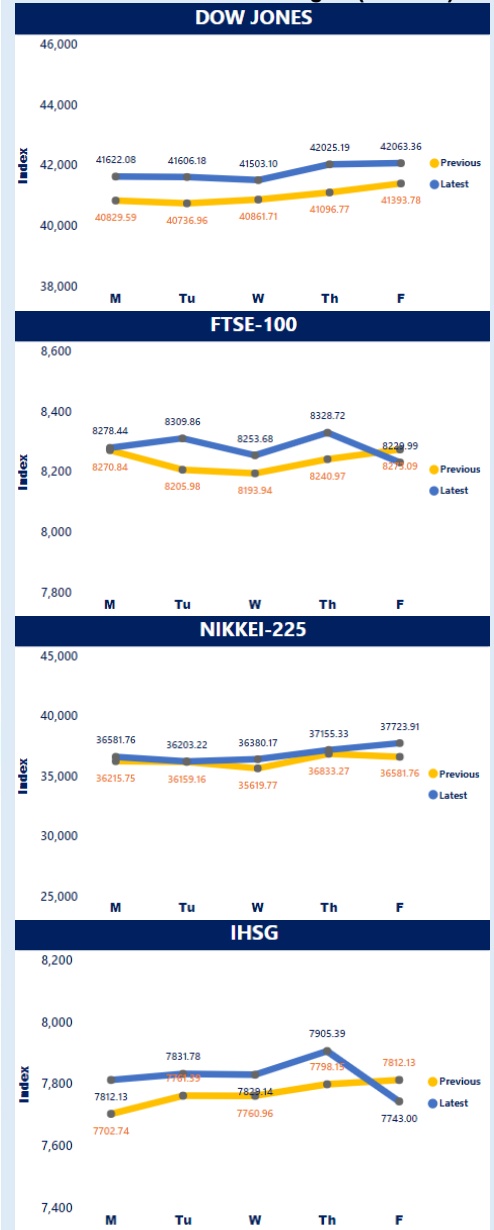
Chart 2. 2024 Commodity Price Changes (%YTD)



C. STOCK MARKET DEVELOPMENT

- The Wall Street stock market closed flat at the end of weekend trading. This happened after investors stopped buying after the strong rally on Thursday following the Fed's interest rate cut, the Dow Jones Industrial Average and S&P 500 Index recorded record closing highs on Thursday (09/19). However, Wall Street's main indexes still recorded significant weekly increases. The S&P 500 index rose 1.36%, the Nasdaq Composite Index rose 1.49%, and the Dow Jones Industrial Average rose 1.62%.
- European stock markets weakened slightly in weekend trading after strengthening in the previous session, driven by the Fed's interest rate cuts. However, within a week, the index still posted gains. Germany's DAX 30 index rose 0.11% amid German producer prices falling lower than expected. France's CAC 40 index rose 0.47%. However, the UK FTSE Index fell 0.52% amid strong UK retail sales (Aug'24 +1.00%).
- Asian stock markets recorded a significant strengthening in interest rates after the US cut interest rates and the Bank of Japan and China maintained their benchmark interest rates. The Nikkei 225 index rose 3.12%, Hong Kong's Hang Seng Index rose 5.12%, and China's Shanghai Composite Index rose 1.21%.
- The Indonesian stock exchange ended the third week of September 2024 trading session, recording a fall in the JCI of more than 2% to 7,743.00, far from the previous weekend's closing session at 7,812.13, after touching the highest closing level at 7,905.39. Within a week, the JCI recorded a decline of 0.88%. The decline in the JCI this weekend was mainly dragged down by the Infrastructure and Raw Materials sectors, which fell by -3.85% and -1.59%, respectively. Meanwhile, the sectors that performed well were the Health, Transportation, & Logistics sectors, which rose by +4.31% and +2.83%, respectively. On the other hand, the JCI Index fell due to news about the exclusion of a share from the FTSE Russell index, and US Treasuries (-0.28%) fell on interest rate cuts.

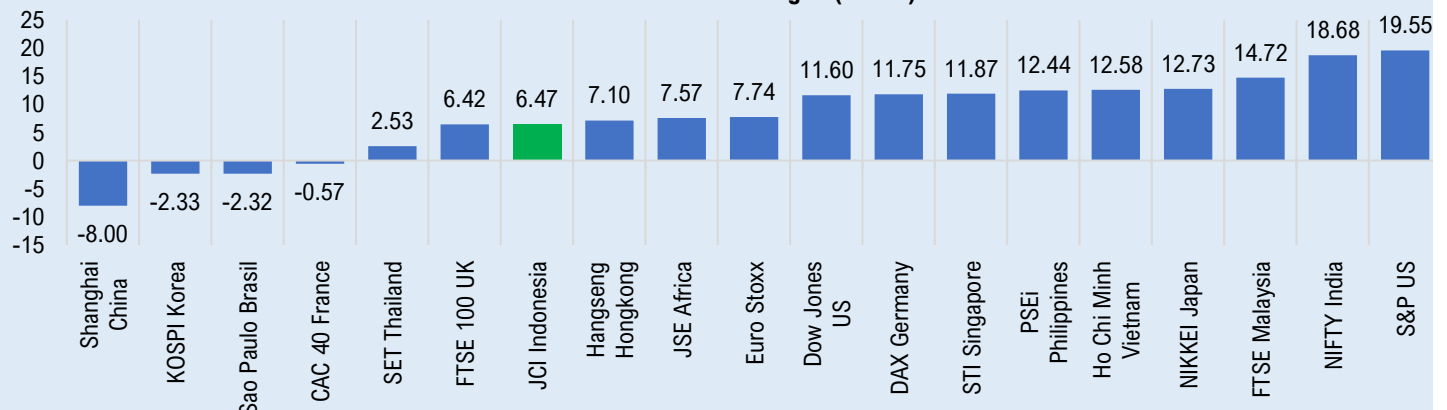
Chart 3. Weekly Stock Price Movements in Several Stock Exchanges (W-to-W)



Previous : 09/09/24 – 09/13/24
Latest : 09/16/24 – 09/20/24

Source: Bloomberg & Investing (2024).

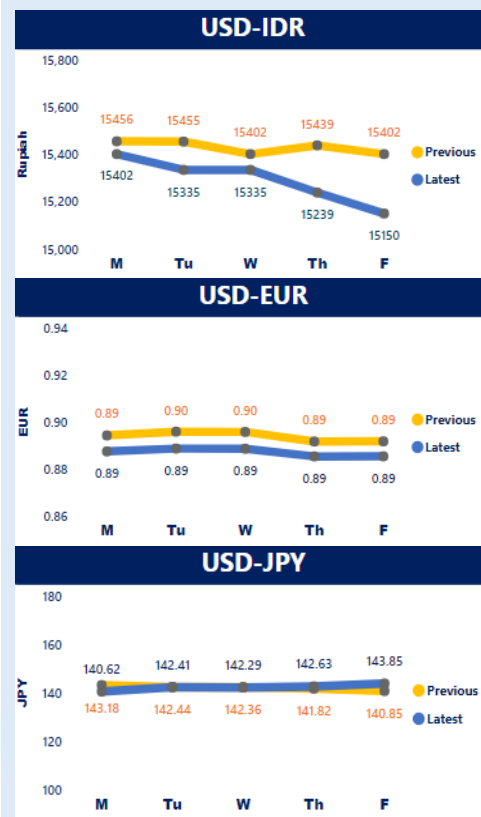
Chart 4. Stock Price Changes (%YTD)



D. EXCHANGE RATE DEVELOPMENT

- The US dollar index fell to 100.72 (-0.39%) on Friday, September 20, 2024, approaching its lowest point since January. The US dollar has become the main magnet in the global financial market amid the interest rate era, so investors prefer to hold it because it offers high interest relative to developing countries. However, the interest rate cut last week made the dollar gradually weaken. In Europe, the pound weakened more than 1% against the US dollar to close at GBP1.332 (+1.50%). Meanwhile, the euro weakened more modestly to close at EUR1.116 (+0.79%).
- The weaker dollar has helped most US currencies strengthen. The exceptions were the Japanese yen and the South Korean won. Last week, the Japanese yen depreciated to JPY143.85 (+2.13%) after the latest data showed the country reported a wider trade deficit than the previous month. Meanwhile, South Korea's won depreciated more modestly against the Japanese yen, closing at KRW1.332 (+0.16%).
- In contrast to the yen and won, the Indian rupee and the US dollar appreciated CNY7.05 (-0.71%) and INR83.57 (-0.39%). The Malaysian ringgit appreciated sharply to MYR4.20 (-2.27%) as foreign capital flowed into the country. Meanwhile, the Thai baht also appreciated more than 1% to THB32.93 (-1.03%), its ninth consecutive weekly appreciation, following significant foreign capital inflows, pushing the Thai equity market to trade at an 11-month high. Like Thailand, the rupiah also appreciated IDR15,150 (-1.64%) along with the weakening dollar and significant foreign capital inflows. Citing data from Bank Indonesia, foreigners recorded a net purchase of IDR25.60 trillion. The nominal amount consisted of a net purchase of IDR4.19 trillion in the stock market, IDR19.76 trillion in the SBN market, and IDR1.66 trillion in Bank Indonesia Rupiah Securities (SRBI).

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



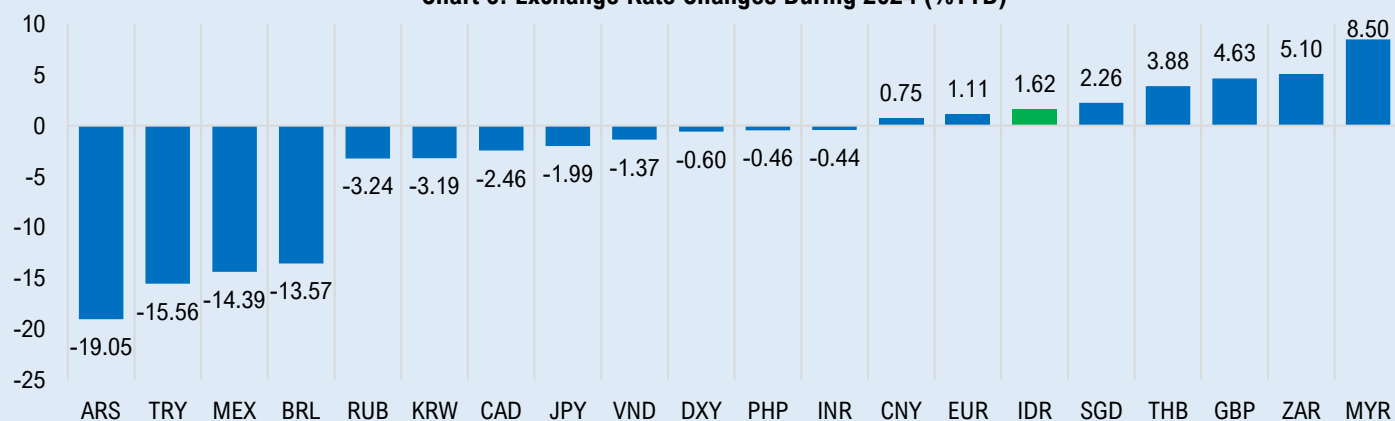
Previous : 09/09/24 – 09/13/24

Latest : 09/16/24 – 09/20/24

Source: Bloomberg & Investing (2024).

PEFINDO
CREDIT RATING AGENCY

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



E. DEBT SECURITIES MARKET DEVELOPMENT

1) Yield

- The US market was bearish last week. While the 2-year yield was steady at 3.591% (+1 bps), the 10-year yield rose to 3.741% (+9 bps). Investors had anticipated a rate cut last week, so the yield decline had happened for the previous few weeks, pushing the yield back to normal after being inverted on stronger soft landing expectations.
- Yields also rose in the Eurozone, where the 2-year and 10-year yields closed at 2.227% (+2 bps) and 2.206% (+6 bps) for the 10-year. Higher gains were seen in the UK market, where the 2-year and 10-year yields rose to 3.920% (+12 bps) and 3.902% (+13 bps), respectively, after the latest inflation data showed a pick-up.
- The 10-year yield performed mixed in Asia. The percentages in South Korea and Singapore rose to 2.993% (+7 bps) and 2.467% (+4 bps), respectively. In contrast, the percentages fell in China and India to 2.041% (-3 bps) and 6.758% (-5 bps), respectively. Meanwhile, the percentages were stable in Japan and closed at 0.839% (0 bps). Likewise, the Malaysian and Thai markets also posted declines, to 3.700% (-2 bps) and 2.459% (-7 bps), respectively. Investors are hunting for ETFs with emerging market bonds as their underlying. The iShares J.P. Morgan USD Emerging Markets Bond ETF received an inflow of USD46.3 million on Friday, September 20, 2024. Meanwhile, the Vanguard Emerging Markets Government Bond ETF recorded an inflow of USD32.9 million. Investors became more optimistic about long-duration and high-yield asset classes after last week's Fed cut rates. Yields fell sharply in the domestic market compared to the Asian countries above. The percentage dropped to 6.307% (-26 bps) for the 2-year tenor and 6.438% (-14 bps) for the 10-year tenor. The positive sentiment came from the Fed's rate cut, widening its spread to domestic interest rates because, at the same time, Bank Indonesia cut at a rate 25 bps lower than the Fed. In addition, the domestic market also saw significant foreign capital inflows, reaching IDR19.76 trillion based on transaction data from 17-19 September 2024.
- Quoting data from Bank Indonesia, foreign investors recorded a net purchase of IDR21.39 trillion in the government bond market from the beginning of the year to September 19, 2024. This nominal is relatively small compared to the inflow into the SRBI market, which reached IDR186.85 trillion.
- The SRBI auction recorded incoming bids of IDR46.04 trillion, up 36% compared to last week's auction. The 12-month SRBI yield requested in the auction ranged from 6.70-7.13% lower than the previous auction (7.08-7.20%). Bank Indonesia finally won the longest-tenor SRBI discount rate at 6.84%, the lowest interest rate since early March.

2) Index

- The Indonesia Composite Bond Index (ICBI) posted a positive performance amid solid government and corporate bond markets. ICBI closed higher at 396.16 (+0.94%), supported by an increase in the government bond index to 387.47 (+0.95%) and the corporate bond index to 451.06 (+0.76%).
- The 3-year corporate bond yield fell sharply due to a sharp decline in benchmark yields and premiums. The 3-year benchmark yield fell to 6.265% (-20 bps). The 3-year corporate bond yield percentage fell to 6.760% (-27 bps) for AAA and 7.298% (-27 bps) for AA. Meanwhile, the rate fell to 8.621% (-28 bps) for A and 10.857% (-20 bps) for BBB.

Chart 7. Indonesian Government Bond Yield Curve

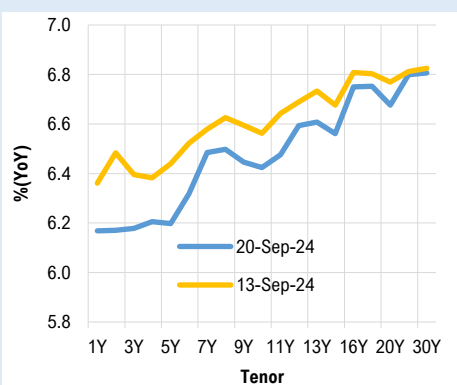


Chart 8. Bond Index

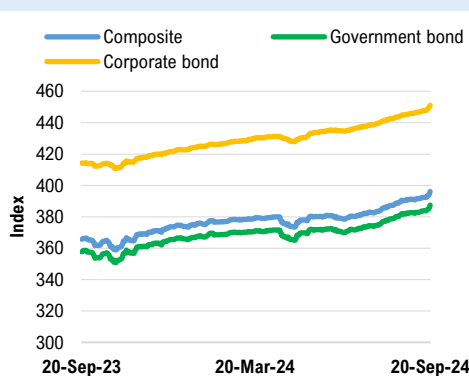
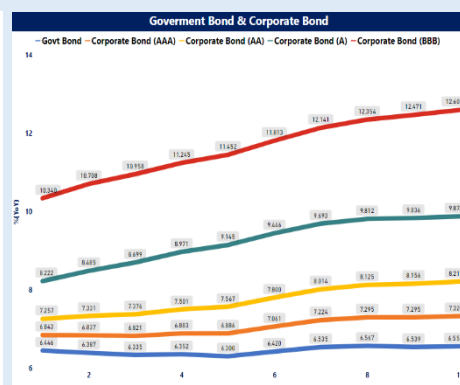


Chart 9. Corporate Bond Yields for Various Ratings



Note: data as of Friday, September 20, 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)
FR0104	6.50	07/15/30	20,000	101.50	6.19	30,815,534
FR0103	6.75	07/15/35	10,000	102.60	6.41	16,905,814
FR0101	6.88	04/15/29	10,000	102.81	6.16	11,317,874
FR0097	7.13	06/15/43	5,000	104.75	6.68	9,303,283
FR0100	6.63	02/15/34	500	101.38	6.43	8,707,408
FR0098	7.13	06/15/38	12,288	105.48	6.51	6,825,638
PBS032	4.88	07/15/26	40,400	97.83	6.16	6,483,267
FR0102	6.88	07/15/54	3,000	100.85	6.81	6,051,129
FR0087	6.50	02/15/31	20,033	100.94	--	5,773,588
FR80	7.50	06/15/35	20,000	107.91	6.46	2,839,552

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 VI Federal International Finance Phase IV Year 2024 Series A	idAAA	6.55	09/16/25	1,000	99.95	6.60	1,495,241
Shelf Registration Bond III Merdeka Copper Gold Phase I Year 2022 Series B	idA+	7.80	03/08/25	30,000	100.15	7.48	358,500
Shelf Registration Bond I Lontar Papyrus Pulp & Paper Industry Phase II Year 2022 Series B	idA	9.50	04/22/25	5,000	101.00	7.71	247,000
Shelf Registration Bond II Provident Investasi Bersama Phase III Year 2024 Series B	idA	9.75	09/18/27	10,000	100.02	--	220,000
Shelf Registration Sukuk Mudharabah III Pegadaian Phase II Year 2024	idAAA _(sy)	6.65	09/07/25	800	99.95	6.70	200,000
Bond III OKI Pulp & Paper Mills Year 2022 Series B	idA+	10.50	11/04/25	20,000	104.80	6.00	177,000
Shelf Registration Bond II Provident Investasi Bersama Phase III Year 2024 Series A	idA	8.00	09/25/25	20,000	99.90	--	176,000
Shelf Registration Bond I Oto Multiartha Phase II Year 2024 Series A	idAAA	6.55	09/14/25	5,000	100.00	6.55	145,300
Shelf Registration Bond II Sinar Mas Multiartha Phase II Year 2022 Series D	irAA	9.75	08/26/27	500	97.44	10.78	142,614

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 Provident Investasi Bersama Tbk	Shelf Registration Bond II Phase III Year 2024 Series A	Sep-19-2024	512.29	8.00	1	idA
2	PT Provident Investasi Bersama Tbk	Shelf Registration Bond II Phase III Year 2024 Series A	Sep-19-2024	587.71	9.75	3	idA
Total				1,100.00			

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
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-
Total				8,834.29			
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
Total				11,785.22			

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(st)
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+
Total				12,344.23			
DECEMBER 2024							
1	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond IV Phase III Year 2023 Series A	Dec-1-2024	16.90	6.75	1	idA+
2	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah III Phase III Year 2023 Series A	Dec-1-2024	87.21	6.75	1	idA+(sy)
3	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond USD I Phase II Year 2023 Series A	Dec-2-2024	USD0.25 mn	5.25	1	idA+
4	PT Provident Investasi Bersama Tbk	Shelf Registration Bond II Phase I Year 2023	Dec-2-2024	157.83	7.50	1	idA
5	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Bond I Phase I Year 2021 Series B	Dec-2-2024	49.00	9.50	3	idA
6	PT Steel Pipe Industry of Indonesia Tbk	Shelf Registration Sukuk Ijarah I Phase I Year 2021 Series B	Dec-2-2024	51.00	9.50	3	idA(sy)
7	PT Intiland Development Tbk	Shelf Registration Sukuk Ijarah I Phase III Year 2022 Series A	Dec-2-2024	125.00	10.30	2	irA-
8	PT Mandala Multifinance Tbk	Shelf Registration Bond IV Phase IV Year 2021 Series B	Dec-3-2024	350.00	9.25	3	idAAA
9	PT Perikanan Indonesia (Persero)	MTN I Year 2017	Dec-4-2024	200.00	12.50	7	-
10	Lembaga Pembiayaan Ekspor Indonesia	Shelf Registration Bond IV Phase VIII Year 2019 Series B	Dec-6-2024	1,551.00	7.90	5	idAAA
11	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	Shelf Registration Bond I Phase I Year 2017 Series C	Dec-6-2024	780.00	8.85	7	idAA
12	PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	Shelf Registration Subordinated Bond I Phase I Year 2017 Series B	Dec-6-2024	693.00	9.90	7	idA+
13	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Bond II Phase II Year 2021 Series B	Dec-8-2024	876.81	8.75	3	idA+
14	PT Indah Kiat Pulp and Paper Tbk	Shelf Registration Sukuk Mudharabah I Phase II Year 2021 Series B	Dec-8-2024	304.53	8.75	3	idA+(sy)
15	PT Permodalan Nasional Madani	Shelf Registration Bond IV Phase I Year 2021 Series B	Dec-10-2024	1,000.00	5.50	3	idAA+
16	PT Oligo Infrastruktur Indonesia	MTN I Series A	Dec-10-2024	100.00	11.00	5	-
17	PT Bumi Resources Tbk	Mandatory Convertible Bond Year 2017	Dec-11-2024	1.67	6.00	7	-
18	PT Chandra Asri Pacific Tbk	Shelf Registration Bond I Phase I Year 2017 Series C	Dec-12-2024	229.75	9.75	7	idAA-
19	PT Indosat Tbk	Shelf Registration Bond I Phase I Year 2014 Series D	Dec-12-2024	360.00	10.70	10	idAAA
20	PT Voksel Electric Tbk	Bond I Year 2019 Series B	Dec-12-2024	13.45	10.50	5	idBBB
21	PT Koprime Sandysejahtera	Sukuk Mudharabah I Series B	Dec-12-2024	20.00	Floating	5	-
22	PT Kereta Api Indonesia (Persero)	Bond II Year 2019 Series A	Dec-13-2024	900.00	7.75	5	idAAA
23	PT Bussan Auto Finance	Shelf Registration Bond I Phase IV Year 2021	Dec-15-2024	500.00	5.75	3	AAA(idn)
24	PT Tower Bersama Infrastructure Tbk	Shelf Registration Bond VI Phase II Year 2023	Dec-15-2024	1,513.10	6.75	1	AA+(idn)
25	PT Profesional Telekomunikasi Indonesia	Shelf Registration Bond II Phase II Year 2021 Series B	Dec-17-2024	1,593.25	5.30	3	AAA(idn)
26	PT Indonesia Infrastructure Finance	Shelf Registration Bond I Phase I Year 2019 Series C	Dec-18-2024	163.00	7.90	5	idAAA
27	PT Bank CIMB Niaga Tbk	Shelf Registration Bond III Phase I Year 2019 Series C	Dec-19-2024	481.00	7.80	5	idAAA
28	PT Bank CIMB Niaga Tbk	Shelf Registration Subordinated Bond I Phase I Year 2019	Dec-19-2024	83.00	8.05	5	idAA
29	PT Barito Pacific Tbk	Shelf Registration Bond I Phase I Year 2019 Series B	Dec-19-2024	271.00	9.50	5	idA+
30	PT Hartadinata Abadi Tbk	Shelf Registration Bond I Phase I Year 2019	Dec-19-2024	600.00	11.00	5	idA
31	Perum Perumnas	MTN IX Year 2019	Dec-20-2024	300.00	11.75	5	idBBB-

32	PT Mahaghora	MTN I Year 2019	Dec-20-2024	163.20	2.00	5	-
33	PT Merdeka Copper Gold Tbk	Shelf Registration Bond IV Phase IV Year 2023 Series A	Dec-22-2024	800.98	7.75	1	idA+
34	PT Oki Pulp and Paper Mills	Shelf Registration Bond I Phase II Year 2023 Series A	Dec-22-2024	80.79	7.00	1	idA+
35	PT Oki Pulp and Paper Mills	Shelf Registration Sukuk Mudharabah I Phase II Year 2023 Series A	Dec-22-2024	91.42	7.00	1	idA+(sy)
36	PT Oki Pulp and Paper Mills	Shelf Registration Bond USD I Phase II Year 2023 Series A	Dec-22-2024	USD0.06 mn	5.75	1	idA+
37	PT Oki Pulp and Paper Mills	Shelf Registration Green Bond I Phase II Year 2023 Series A	Dec-22-2024	7.69	7.00	1	idA+
38	PT Samator Indo Gas Tbk	Shelf Registration Bond II Phase IV Year 2021 Series A	Dec-22-2024	44.70	8.10	3	A(idn)
39	PT Samator Indo Gas Tbk	Shelf Registration Sukuk Ijarah II Phase IV Year 2021 Series A	Dec-22-2024	133.00	8.10	3	A(idn)(sy)
40	PT Sarana Multi Infrastruktur (Persero)	Shelf Registration Bond III Phase IV Year 2023 Series A	Dec-24-2024	400.00	6.45	1	idAAA
41	PT Multi Sandang Tamajaya	MTN I Year 2019 Seri A	Dec-27-2024	45.00	12.00	5	-
42	PT Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat	Shelf Registration Bond III Phase I Year 2021 Series A	Dec-29-2024	630.00	6.45	3	idA+
43	PT Oki Pulp & Paper Mills	MTN XI Year 2021	Dec-30-2024	300.00	10.50	3	-
Total				16,068.28			

Notes: *) Amount in USD excluded.

Source: KSEI, IDX, PEFINDO database.



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H. NEWS ANALYSIS

Table 5. News Highlight Over The Past Week

Industries	News Headlines and Analysis
Automotive	Automotive Industry Challenges (Bisnis Indonesia-13/09/2024). This is marked by rapid changes in technology, regulation, consumer behavior, and competition. The focus on electrification to reduce carbon emissions drives the development of xEV vehicles (hybrid, plug-in hybrid, electric vehicles), creating fierce competition that demands major changes in the value chain. In addition, competition is also getting tougher because, in addition to pressure from traditional players, there are also new entrants who are aggressively entering the Indonesian market. These increasingly volatile and complex changes cause high uncertainty for automotive industry players.
Banking	The Credit Quality of Rural Credit Banks (Bank Perkreditan Rakyat/BPR) is Getting Worse (Bisnis Indonesia-17/09/2024). This is happening amidst the increasing number of failure or bankruptcy cases among players in this industry as a result of the end of the COVID-19 restructuring relaxation period. In addition, BPRs are also facing increasingly tight competition, especially in the distribution of credit or financing to the micro, small, and medium enterprises (MSME) segment. On the other hand, macroeconomic uncertainty, such as a slowdown in the global or local economy, to rising interest rates, has an impact on people's purchasing power and ability to repay loans.
Hotel and Tourism	Hospitality Industry Expansion Faces a Solid Wall (Bisnis Indonesia-17/09/2024). This is because the main source of funding, namely banking, has closed the financing tap to the business world because the hotel industry is considered vulnerable. Unfortunately, at the same time, the government will implement a moratorium on the construction of new hotels which limits expansion. Meanwhile, from the operational or business management side, hotels are faced with the limited recovery of the tourism industry, which affects occupancy.
Insurance and Guarantee	Insurance Industry Hit by Tsunami Wave (Bisnis Indonesia-13/09/2024). The reason is, that the value of losses due to natural disasters is getting higher, while at the same time, the burden on insurance companies is mounting due to the increasingly expensive price of reinsurance protection. This happens because urban expansion, property exposure, and climate change are triggers for the increase in annual natural disaster losses. For information, climate change contributes around 1% of the global natural disaster exposure value. Meanwhile, inflation is one of the main contributors.
Metal and Gold	Industrial Metal Prices Rise (Harian Kontan-18/09/2024). The price increase was mainly driven by sentiment regarding the Federal Reserve's interest rate cut. Moreover, the prospect of the Fed cutting interest rates by 50 bps this week has increased to 67%, putting serious pressure on the US dollar. On the other hand, there is still uncertainty looming over industrial metal prices. One of them is the fear of a recession if the Fed is more aggressive in cutting interest rates.
Mining	New Threats to Oil and Gas Projects (Bisnis Indonesia-13/09/2024). The threat comes from the limited budget that will be received by the Ministry of Energy and Mineral Resources next year of IDR 3.9 trillion. The budget is considered relatively low to support the implementation of some strategic programs in the energy sector so it could threaten the realization of the pipeline construction program for the city gas network which is being intensified to reduce the use of liquefied petroleum gas or LPG. The problem is getting more complicated because the Ministry of Energy and Mineral Resources has tendered the Cirebon-Semarang Natural Gas Transmission Pipeline Project Phase 2 (Batang-Cirebon-Kandanghaur Timur Section).
Multifinance	The Impact of Indirect Interest Rate Decrease Felt in The Financing Industry (Harian Kontan-19/09/2024). This is because the combination of funding sources for indirect financing companies can be adjusted simultaneously following the central bank. However, although it will not have a significant impact shortly, the news of the interest rate decrease is a boost for the financing industry.
Power and Energy	Solar Power Plant (Pembangkit Listrik Tenaga Surya/ PLTS) Developers Will Be Massive in Reservoirs (Harian Kontan-17/09/2024). This is done because the Ministry of Public Works and Public Housing has approved the project as an effort to preserve environmentally friendly power plants that utilize reservoirs owned by the Ministry. By utilizing floating photovoltaics (PV) on several dam surfaces owned by the PUPR Ministry, there is potential for acceleration of the Floating PLTS capacity.
Property	Property Issuers Are Getting Brighter (Harian Kontan-18/09/2024). This is driven by the Fed's plan to lower the benchmark interest rate this week. The Fed's move is projected to be followed by Bank Indonesia (BI), which is also holding a board of governors meeting (RDG) on the same date. As a result, the decline in low interest rates is believed to be able to drive the performance of property issuers in 2024. This is because the purchase of property assets usually relies on a home ownership credit (KPR) scheme.
Telecommunication	Digital Transformation Reaches The Frontier, Outermost, and Disadvantaged Areas (Terdepan, Terluar, dan Tertinggal / 3T) (Bisnis Indonesia-18/09/2024). This commitment is a form of responsibility in bringing

Industries	News Headlines and Analysis
	the community to benefit from the growth of the digital economy in the country. This is done with the main goal of connecting all regions of Indonesia, including 3T areas, into an inclusive communication network with the hope that no one will be left behind in the digital transformation train.
Trading and Distribution	August Trade Balance Potentially Returns to Large Surplus (Harian Kontan-14/09/2024). The export performance estimate is based on the development of commodity prices in July 2024, especially from the mining and processing industry sectors. On the other hand, import performance also contracted in August 2024. This import contraction was mainly due to weaker performance in the manufacturing sector. Meanwhile, the moderation in annual growth is in line with the weakening trend of global economic activity.

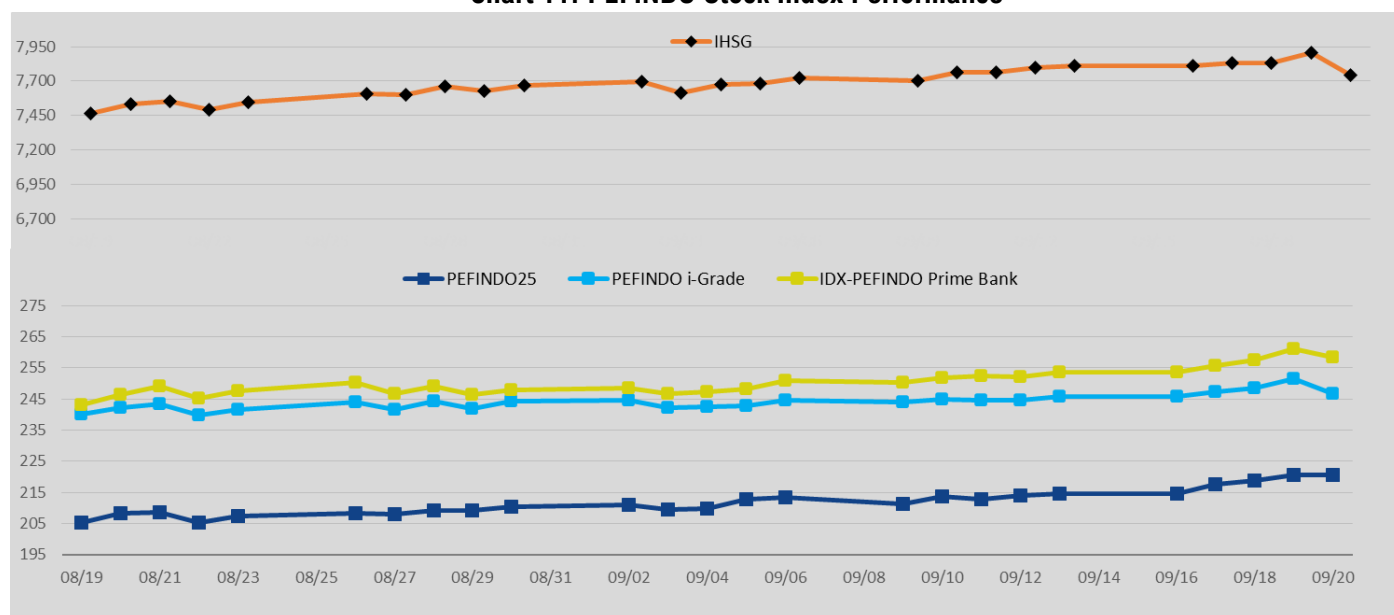
Source: Harian Kontan and Bisnis Indonesia (2024).



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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
8/23/2024	% (WoW)	1.51%	1.01%	0.57%	2.31%
8/30/2024	% (WoW)	1.68%	1.56%	1.19%	0.16%
9/6/2024	% (WoW)	0.67%	1.42%	0.06%	1.21%
9/13/2024	% (WoW)	1.17%	0.52%	0.55%	1.05%
9/20/2024	% (WoW)	-0.88%	2.81%	0.28%	1.94%

Source: IDX, Bloomberg (2024).

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Indonesia Rating Highlight (IRH)

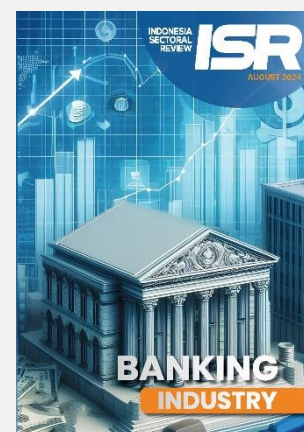


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