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PEFINDO
CREDIT RATING AGENCY

# Lets Prepare for The Fed's "Normalization"

**Introduction**

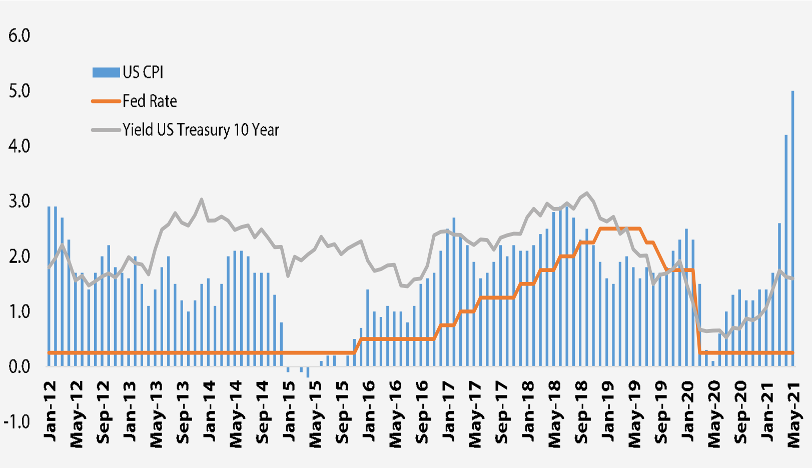
PEFINDO is of the view that the indications of a further increase in the Fed's interest rate in 2023, conveyed by the Chairman of the Fed on June 16, 2021, will have a broad impact on the direction of other central bank policies and the global economy in the near future. Even though the signal was conveyed amid the current accommodative policy stance, where the Fed Funds Rate (FFR) is still near a zero level (0.25%) and the purchase of USD80 billion of securities and USD40 billion of mortgage-backed securities (MBS) continues every month, the risk of a taper tantrum as was the case in 2013 is anticipated by the global market. Therefore, Bank Indonesia's announcement on June 17, 2021, to strengthen coordination of policy synergies with the Government and the Financial System Stability Committee (KSSK), including through the implementation of the KSSK Integrated Policy Package, is expected to maintain domestic economic stability.

**The Fed's Normalization Intention**

At the FOMC Meeting last June 16, the Chairman of the Fed surprised global economic players with the intention to return to normalize the FFR to 1% by the end of 2023. In the previous month, the Fed was still of the view that an increase would be made at the end of 2024, meaning that this announcement signals that the normalization will be one year earlier than the previous projection.

The Fed argued that the change in time horizon was for fears of a faster US inflation spike although the US headline inflation target had been raised by 100 bps from their projection in March to 3.4% by the end of 2021. This, in turn, sends a signal to the market that the current inflationary pressures are not temporary, as explained by the Fed in announcements in previous months.

## Exhibit 1. US CPI Inflation, Fed Rate, and Yield US Treasury 10 Year (%)




Source: Bloomberg (2021).

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## Content



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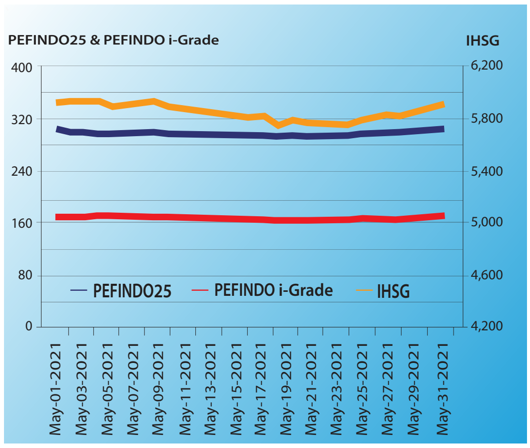


Fikri C. Permana
ECONOMIST

Accordingly, this pushed upward the 10-year US treasury yield from 1.49% on June 15, 2021 to 1.58% on the following day or shortly after the announcement was made. During the same period, the USD Index also moved in the same direction, increasing from 90.50 on June 15, 2021 to 91.21 on June 16, 2021 and continued to 91.87 on June 17, 2021.

**Its Impact on Indonesia**

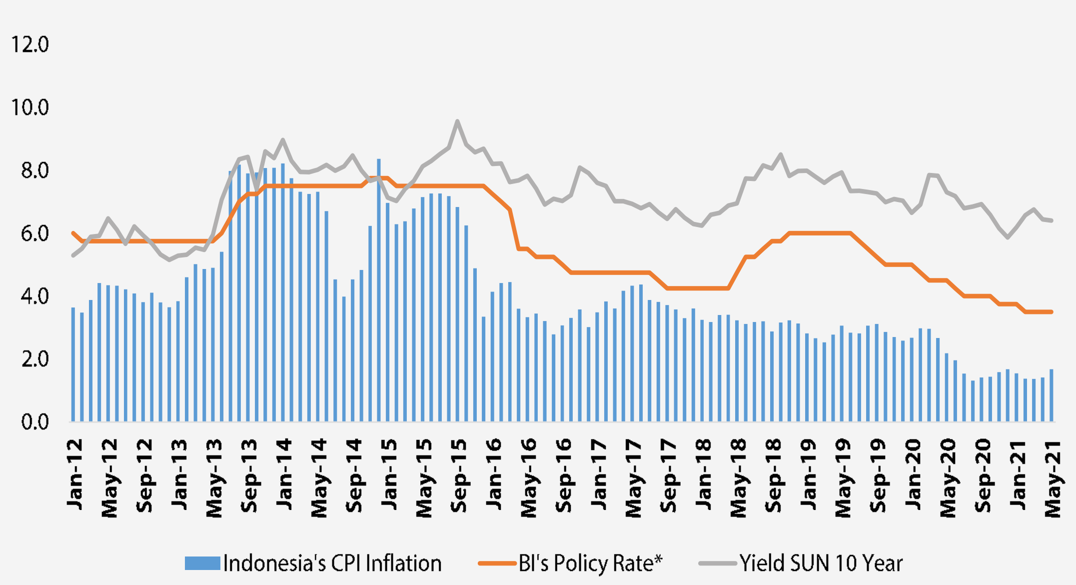
The upward movement of US Treasury yields and the USD Index also contributed to an increase in SUN yields and simultaneously exerting pressure on the Rupiah exchange rate as reflected in the 10-year SUN yield moving from 6.42% on June 15, 2021 to 6.46% on the following day. Likewise, over the same period, the Rupiah depreciated from IDR14,200 per USD to IDR14,235 per USD.

The pressure eased slightly on June 17, 2021, after Bank Indonesia announced the conclusion of the Board of Governors' Meeting (RDG) to consistently implement an accommodative monetary policy stance and will continue to optimize the monetary and macroprudential policy mix. However, with the possibility of normalization by the Fed, it seems the space for further lowering the benchmark interest rate (BI7DRRR) in the future will become increasingly narrow or has even reached its lowest level. In addition, the policy direction of central banks around the world, until June 18, 2021, was more likely to choose tightening (increase in interest rates), which was 34 times (cumulatively 58.6%) compared to a decrease of only 25 times (value of 43.1%) also seems to provide an indication of the new direction for the policy stance of Bank Indonesia and the economy going forward.

Turning to the trend of domestic CPI inflation, which continues to move upward from 1.37% (YoY) in March, 1.42% in April, and 1.68% in May 2021, the real interest rate (the difference in policy interest rates minus domestic inflation) is still quite wide, around 180 bps at the end of May 2021. Therefore, if we only refer to the inflation targeting framework, there remains room for a further cut in interest rates. Moreover, Bank Indonesia's announcement on June 17, 2021 implies that it will strengthen the coordination of policy synergies with the Government and the Financial System Stability Committee (KSSK), including through the implementation of the KSSK Integrated Policy Package, intended to maintain domestic economic stability.

For this reason, the tug-of-war between the global and domestic conditions will certainly be a concern going forward. Hence, it remains to be seen how the Fed's normalization plan will impact the Indonesian economy in the near future.

Exhibit 2. Indonesia's CPI Inflation, BI's Policy Rates, and Yield SUN 10 Year (%)




Note: * : Jan 12 – Mar 16 used BI Rate; while Apr 16 – May 21 used BI7DRRR.

Source: Bloomberg (2021).

# Government Incentives
## in Property Sector during Pandemic

Aryo Perbongso
CORPORATE RATING ANALYST

| Remarks | BSDE | SMRA | DILD |
|---|---|---|---|
| Revenue in 2020 (IDR Bn) | 6,180.59 | 5,029.98 | 2,891.39 |
| EBITDA in 2020(IDR bn) | 2,589.15 | 1,545.90 | 897.01 |
| Debt to EBITDA (x) | 6.61 | 6.12 | 5.61 |
| DER (x) | 0.54 | 1.04 | 0.83 |
| FFO to Debt (%) | 6.57% | 5.36% | 6.44% |
| EBITDA to IFCCI (x) | 1.45 | 1.50 | 1.67 |
| Marketing Sales in 2020 (IDR tn) | 6.5 | 3.3 | 0.9 |
| Marketing Sales target in 2021 (IDR tn) | 7 | 3.5 | 2 |
| Rating | $_{id}$AA- | $_{id}$A | $_{id}$BBB |

Source: various financial statements and sources.

The property sector is expected to perform better in 2021 compared to 2020. It is based on several positive catalysts such as the Covid-19 vaccination program and government incentives to help the property sector. In 2020, the property sector in Indonesia was in a declined position compared to previous year, due to the Covid-19 pandemic resulting in an economic downturn following the Large-Scale Social Restrictions (PSBB) policy implemented by the government to contain the spread of the pandemic. The PSBB impeded movements of goods and services, thereby undermining economic growth as people held back their spending for investment, leading to lower demand for the property sector. It was reflected in the total value of marketing sales/ pre-sales performance in 2020 of five major property companies in Indonesia (PT Bumi Serpong Damai Tbk, PT Ciputra Development Tbk, PT Intiland Development Tbk, PT Summarecon Agung Tbk and PT Pakuwon Jati Tbk), decreasing by 15.3% compared to that in 2019. This condition is consistent with a survey report from Bank Indonesia indicating the growth in sales of various types of houses in Q42020 decreased by 20.59% on year on year (YoY) basis compared to the previous period. House sales of various types contracted, such as large houses (-35.65%, YoY), medium residences (-24.13%, YoY), and small houses (-15.06%, YoY). The decline in sales of houses in 2020 were due to the Covid-19 pandemic and implementation of PSBB.

To accelerate the recovery of the property sector in Indonesia, the Ministry of Finance, as the armlength of Government of Indonesia and Bank Indonesia as the Central Bank of Indonesia, have extended incentives for the property industry. In March 2021, the Ministry of Finance issued Ministry of Finance Regulation No.21/PMK.010/21 dated March 1, 2021, concerning the Value Added Tax on the Delivery of landed houses and high-rise residential units borne by the government for the Fiscal Year 2021. This incentive is aimed at supporting the property industry impacted by the Covid-19 pandemic. Under this regulation, the government bears the Value Added Tax (VAT) on the sales of the landed house or high-rise residential units that meet certain terms and conditions. To be eligible for the incentive, the highest selling price of a house/high-rise residential unit is IDR5 billion and the new landed house/ apartment submitted is in ready-to-occupy condition. If the required conditions are met, the government will bear the value added tax (VAT) as follows: 100% of the VAT payable for delivery of a landed house or apartment unit with a maximum selling price of IDR2 billion and 50% of the VAT payable for delivery of a landed house or apartment unit with a selling price above IDR2 billion up to IDR5 billion. This government incentive is valid for the period between March 2021 and August 2021.

PEFINDO is of the view that the implementation of the PMK regulation No.21/PMK/010/21 will reduce property unit prices by around 5-10%. The property price "discount" is expected to boost property unit sales between March–August 2021. Through the issuance of the PMK regulation, the government expects the economy to recover, as the property sector has a high multiplier effect on the economy. The property industry is related to more or less 170 other sectors. However, the PMK stipulates the incentive is only for ready handover house/apartment units between March-August 2021. This regulation provides benefits for developers that have the inventory of ready-handover property units, whereas those that do not own any ready-handover units will not be eligible for any benefit from the regulation.

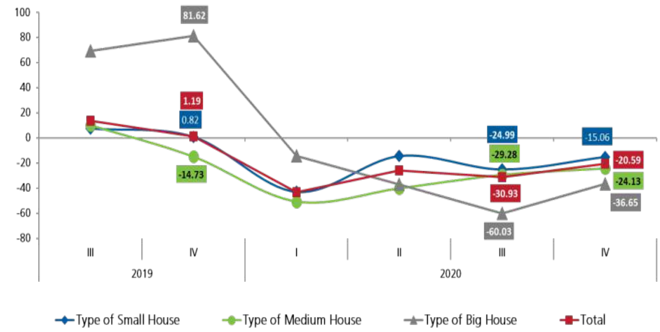
On February 26, 2021, Bank Indonesia (BI) issued BI Regulation (PBI) No. 23/2/ PBI/2021 which was the third amendment to PBI No. 20/8/ PBI/2018 regarding loan to value ratios for property loans, financing to value ratios for property financing and advance payment for motorcycle financing. The PBI stipulates that banks are allowed to provide residential or high-rise mortgage loans with a minimum down payment of 0% based on the assessment results from the bank. The regulation is undoubtedly very beneficial for developers as the previous regulation stipulates the loan will be extended by the bank at 30% after sales and purchase deed (*Akta Jual Beli* (AJB)) is carried out, while the remainder will be disbursed based on the completion of construction. Under the new PBI, property sales are expected to increase, thereby improving operating cash flow. In addition, it is also beneficial from the customer's point of view, as it facilitated access to bank loans the purchase of a house or an apartment unit.

Based on those regulations, it is stated that bank can provide mortgage loans with a minimum down payment of 0% based on the assessment results from the bank. However, we expect that banks will remain prudent in its loan underwriting practices including for mortgage and property sectors given the ongoing asset quality pressure particularly from debtors impacted by the Covid-19 pandemic.

PEFINDO expects those two regulations will contribute in boosting sales for landed houses and apartments, further improving capital structure and cash flow protection measures, and financial flexibility for companies in the property sector. In the future, the property developers can take advantage of better financial flexibility to diversify its business by investing or expanding new businesses.

The expectation of the improved performance of the property sector in 2021 was in line with survey on residential property sales at the first quarter of 2021 (1Q2021) from Bank Indonesia. It revealed an increase in sales volume by 13.95% (YoY) in 1Q2021 from a contraction of -20.59% in the previous year. The increase in sales was recorded in all property sizes in 1Q2021, especially medium-category residences that accelerated significantly by 25.85% (YoY) compared with (24.13%) (YoY) in the fourth quarter of 2020. It was also reflected in an increase of the total value of target marketing sales of 17.8% in 2021 compared to 2020 from five major publicly listed developers in Indonesia (PT Bumi Serpong Damai Tbk, PT Ciputra Development Tbk, PT Intiland Development Tbk, PT Summarecon Agung Tbk, and PT Pakuwon Jati Tbk). These developments promote optimism among developers to market property in Indonesia.●

### Property Sales Growth (%, YoY)




Source: Residential Property Price Survey Bank Indonesia Quarter IV 2020.

# Budgetary Flexibility:
## Supporting or Constraining Factor for Budgetary Performance Indicator

M. Try Satria Pranata
MUNICIPAL ANALYST

Budgetary flexibility is a supporting or constraining factor for budgetary performance, one of the indicators analyzed by PEFINDO to determine the credit rating of a local government in Indonesia. The budgetary flexibility analysis describes local government's financial capacity in facing certain pressures, including economic downturns or intergovernmental system changes, to maintain its debt servicing ability. Flexible budget reflects local government's ability and willingness to increase revenue and to cut expenditures to remain relevant under these conditions.

The budgetary flexibility analysis consists of revenue and expenditure flexibility. On revenue side, PEFINDO weighted heavily on the ratio of local generated revenue (*Pendapatan Asli Daerah*/PAD) to total revenue. PAD reflects the revenues that could be pursued by the local government itself. This is different from transfer revenue, the amount of which is determined by the central government.

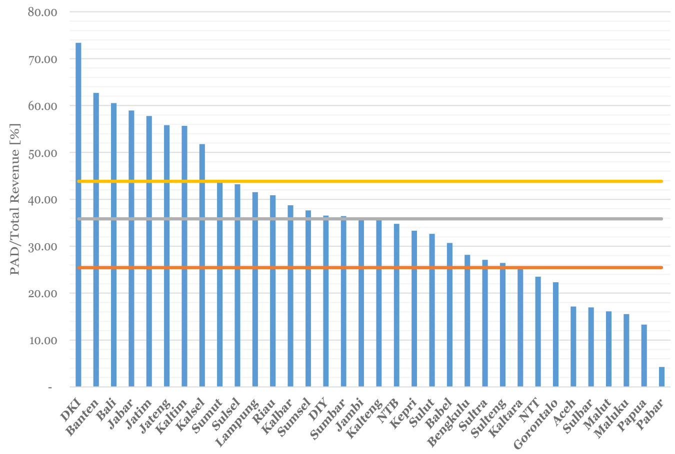
Expenditure flexibility reflects local government's capability to spend efficiently and manage the portion of each expenditure, while maintaining optimum output. This analysis is weighted heavily on the ratio of wages expenditure (mandatory expenditure that must be spent) and the ratio of capital expenditure (capex) (easier to trim or to be delayed compared to mandatory expenditure), to total expenditure and transfers. Thus, local governments could be considered having a flexible budget if it had a high capex ratio and a low wages expenditure ratio. In this article, we will analyze those three ratios using the budget realization report (*Laporan Realisasi Anggaran*/LRA) of 34 provincial governments in the 2019 fiscal year.

**Ratio of PAD to Total Revenue**

Based on the LRA of 34 provinces in the 2019 fiscal year, the ratio of PAD to total revenue on average stood 36.3% with a median of 35.8%. We noted that DKI Jakarta recorded the highest PAD ratio at 73.4%, followed by Banten (62.7%), Bali (60.5%), West Java (59.0%), East Java (57.8%), Central Java (55.8%), and other three provinces that exceeded the third quartile distribution of 43.8%. These nine provinces represent those with high revenue flexibility relative to other provinces in 2019.

We also noted that West Papua recorded the lowest ratio at 4.3%, followed by Papua (13.3%), Maluku (15.5%), North Maluku (16.1%), and other five provinces with less than the first quartile distribution of 25.5%. These nine provinces represent those with low revenue flexibility relative to other provinces.

**Distribution of PAD to Total Revenue Ratio for 2019 Fiscal Year**




Source: Processed from LRA of 34 provinces in Indonesia.

As seen from the distribution pattern, the provinces with the highest PAD ratio are Indonesia's center of economy (DKI Jakarta, Banten, Bali) and having a huge population and tax bases (West Java, East Java, Central Java). Meanwhile, the provinces with the lowest PAD ratio, in general, are in the eastern region of Indonesia, with a low population and tax bases.

**Ratio of Capex to Total Expenditure and Transfers**

In 2019, the ratio of capex to total expenditure and transfers on average was 16.6% with a median of 16.7%. We noted that Southeast Sulawesi recorded the highest capex ratio at 28.9%, followed by Central Kalimantan (25.5%), North Maluku (25.3%), and six others exceeding the third quartile distribution of 19.8%. These nine provinces had a relatively high expenditure flexibility relative to other provinces.

We also noted that West Java recorded the lowest ratio at 7.1%, followed by Central Java (8.0%), East Java (8.2%), Bali (8.5%), and five others with less than the first quartile distribution of 13.1%. These nine provinces had a relatively low expenditure flexibility relative to other provinces.

As seen from the distribution pattern, the provinces with the highest capex ratio are in the eastern region of Indonesia, which most of them are new autonomous regions that have been established after the reform period (post 1998), thus they have relatively higher needs for infrastructure compared to other provinces. The provinces with the lowest capex ratio, in general, are the large ones in Indonesia, such as West Java, Central Java, and East Java. These provinces had a huge amount of capex but was relatively low compared to the amount of total expenditure and transfers compared to other provinces.

**Ratio of Wages Expenditure to Total Expenditure and Transfers**

In 2019, the ratio of wages expenditure to total expenditure and transfers on average was 26.1% with a median of 26.7%. We noted that West Papua recorded the lowest wages expenditure ratio at 9.1%, followed by East Kalimantan (14.9%), Aceh (15.6%), and six others with less than the first quartile distribution of 24.1%. These nine provinces had a relatively high mandatory expenditure flexibility relative to other provinces.

We also noted that Gorontalo recorded the highest ratio at 37.4%, followed by South Sulawesi (34.1%), Bengkulu (34.0%), DKI Jakarta (33.9%), Southeast Sulawesi (33.8%), and four others exceeding the third quartile distribution of 30.0%. These nine provinces had a relatively low mandatory expenditure flexibility relative to other provinces.

The variables that determine the amount of local government's wages expenditure are the number of employees, the amount of income, its performance in achieving revenue target, and the policy of direct employee spending. These variables are highly dependent on local government's revenues and the budgetary policies taken by the local government's head. An in-depth analysis of wages expenditure ratio can be carried out through analysis of specific local government.

**Distribution of Expenditure Flexibility Ratios for 2019 Fiscal Year**

| Capex Ratio [%] | Province | No. | Province | Wages Exp. Ratio [%] |
|---|---|---|---|---|
| 28.9 | Southeast Sulawesi | 1 | West Papua | 9.1 |
| 25.5 | Central Kalimantan | 2 | East Kalimantan | 14.9 |
| 25.3 | North Maluku | 3 | Aceh | 15.6 |
| **16.7** | **MEDIAN** | | **MEDIAN** | **26.7** |
| 8.2 | East Java | 32 | Bengkulu | 34.0 |
| 8.0 | Central Java | 33 | South Sulawesi | 34.1 |
| 7.1 | West Java | 34 | Gorontalo | 37.4 |

Source: Processed from LRA of 34 provinces in Indonesia.

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## The Issuer Default Risk


The year 2020 was mentioned as the peak of default of corporate debts in the last 10 years due to the weakening of the business sector as an impact of the Covid-19 pandemic. PEFINDO revealed in an interview with CNBC in the Closing Bell Segment, May 8, 2021, that the prolonged pandemic has affected several issuers to experience financial difficulties due to declining revenues and operational cash flows.

On that occasion, PEFINDO's Rating Director, Hendro Utomo explained that the risk of default still remained high in 2021, especially for companies engage in business activities severely affected by the pandemic. The refinancing risk is also elevated during this unfavorable economic situation.

To overcome these potential defaults, issuers may conduct various corporate actions, as several issuers in 2020 restructured their bond obligations before coming due, or negotiated restructuring efforts with investors after they failed to pay.

From the perspective of investors and creditors, they are still maintaining their selective policy in providing funding or refinancing to maturing debt securities, only approving those issuers with good reputation and relatively limited impact by the pandemic to their business and industry performances.

PEFINDO evaluates the rating of debt securities on a continuous basis, in which monitoring activities are carried out annually, quarterly and ahead of the date of maturity of the debt securities.

Newsletter

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# Foreign Investors Came

## in Quite a Lot until Mid-June

Ahmad Nasrudin
ECONOMIC RESEARCH ANALYST

U.S. core inflation rose again from 3.0% year on year (YoY) in April to 3.8% YoY at the end of May 2021 or more than double compared to the end of 2020 (1.6% YoY). The percentage has exceeded 2%, a level considered safe to maintain price stability.

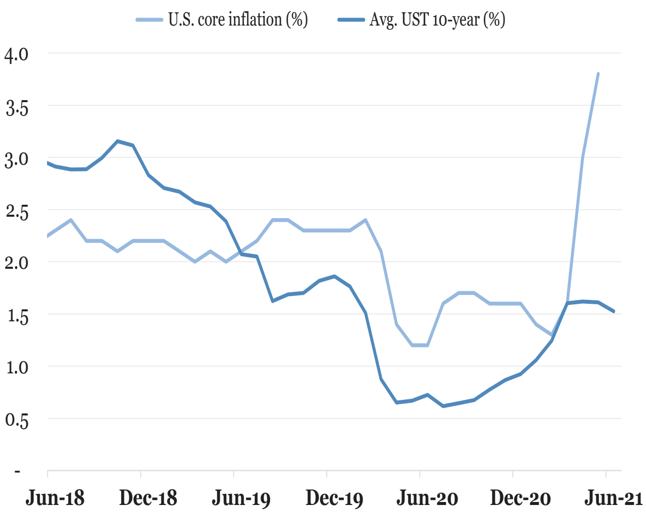
In the bond market, the 10-year U.S. government bond yield closed at 1.4% on June 18, 2021, down 16 basis points (bps) compared to the end of May 2021 or 30 bps compared to March 2021. Adjusted for inflation, the real yield is -2.4%.

Apart from the negative real yields, the temporary easing of the upward pressure on U.S. yields has come as a relief for emerging markets, such as Indonesia amid U.S. inflation which is expected to continue to rise, reducing the upward pressure on yields.

In Indonesia, 10-year government bonds are still stuck at a low trend compared to the end of March 2021 (Exhibit 2). As of June 18, 2021, it was at 6.5% or 24 bps lower than the end of March 2021 (6.8%). We also see foreign investors starting to enter in June 2021. Based on data from Bloomberg, total foreign net purchases reached IDR23.8 trillion during June 1-18. The inflow of foreign investors and the restrained rise in U.S. yields helped keep yields from rising.

We view the trend positively. However, we are also aware that short-term external sentiment remains a concern. We think it will remain a source of volatility going forward, especially since the market is also anticipating a faster tightening of monetary policy in the United States. The slower-than-expected economic recovery is also another concern. Meanwhile, from a medium-term perspective, we view that Indonesia is still attractive to foreign investors because it offers high yields. The sovereign rating, which is still maintained at investment grade, also shows strong fundamentals.

### Exhibit 1. Core Inflation and U.S. Bond Yields




Source: Bloomberg.

### Exhibit 2. Trends in Bond Yields and Foreign Capital Inflows into Government Bonds


Source: Bloomberg.

# companies & bonds rated by PEFINDO

PEFINDO
CREDIT RATING AGENCY

May 31, 2021

| No | Company | Rating | Outlook |
|---|---|---|---|
| 1 | **Adhi Commuter Properti** | idBBB | Negative |
| | Bond Year 2021 | idBBB | - |
| 2 | **Adhi Karya (Persero) Tbk.** | idA- | Negative |
| | Shelf Registration Bond Year 2017, 2019, and 2020 | idA- | - |
| 3 | **Adhi Persada Properti** | idBB+ | Stable |
| 4 | **Adi Sarana Armada Tbk.** | idA- | Stable |
| 5 | **Adira Dinamika Multi Finance Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, 2019, and 2020 | idAAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2016, 2017, 2018, 2019, and 2020 | idAAA(sy) | - |
| 6 | **AKR Corporindo Tbk.** | idAA- | Stable |
| | Shelf Registration Bond Year 2017 | idAA- | - |
| 7 | **Aneka Tambang Tbk.** | idA | Stable |
| | Shelf Registration Bond Year 2011 | idA | - |
| 8 | **Angkasa Pura I (Persero)** | idAAA | Negative |
| | Bond Year 2016 | idAAA | - |
| | Sukuk Ijarah Year 2016 | idAAA(sy) | - |
| 9 | **Angkasa Pura II (Persero)** | idAAA | Negative |
| | Bond Year 2016 | idAAA | - |
| | Shelf Registration Bond Year 2018 and 2020 | idAAA | - |
| 10 | **Astra Sedaya Finance** | idAAA | Stable |
| | Shelf Registration Bond Year 2019, 2020, and 2021 | idAAA | - |
| 11 | **Asuransi Bangun Askrida** | idA+ | Stable |
| 12 | **Asuransi Bhakti Bhayangkara** | idBBB | Stable |
| 13 | **Asuransi Central Asia** | idA+ | Stable |
| 14 | **Asuransi Jasa Indonesia** | idAA | Stable |
| 15 | **Asuransi Jasindo Syariah** | idA | Stable |
| 16 | **Asuransi Jiwa Inhealth Indonesia** | idAA | Stable |
| 17 | **Asuransi Perisai Listrik Nasional** | idBBB+ | Stable |
| 18 | **Asuransi Sinar Mas** | idAA+ | Stable |
| 19 | **Asuransi Tri Pakarta** | idA- | Stable |
| 20 | **Asuransi Umum BCA** | idAA | Stable |
| 21 | **Bahana Pembinaan Usaha Indonesia (Persero)** | idAAA | Stable |
| 22 | **Bank Aceh Syariah** | idA | Stable |
| 23 | **Bank BNP Paribas Indonesia** | idAAA | Stable |
| 24 | **Bank BTPN Tbk.** | idAAA | Stable |
| 25 | **Bank Capital Indonesia Tbk.** | idBBB+ | Negative |
| | Subordinated Bond Year 2014, 2015, and 2017 | idBBB- | - |
| 26 | **Bank Central Asia Tbk.** | idAAA | Stable |
| | Shelf Registration Subordinated Bond Year 2018 | idAA | - |
| 27 | **Bank China Construction Bank Indonesia Tbk.** | idAAA | Stable |
| 28 | **Bank CIMB Niaga Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, and 2019 | idAAA | - |
| | Shelf Registration Subordinated Bond Year 2019 | idAA | - |
| | Subordinated Bond Year 2018 | idAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2018, 2019, and 2020 | idAAA(sy) | - |
| 29 | **Bank Danamon Indonesia Tbk.** | idAAA | Stable |
| 30 | **Bank DKI** | idAA- | Stable |
| | Shelf Registration Bond Year 2016 | idAA- | - |
| 31 | **Bank KB Bukopin Tbk.** | idAA | Stable |
| | Shelf Registration Subordinated Bond Year 2015 and 2017 | idA+ | - |
| 32 | **Bank Lampung** | idA- | Stable |
| | Bond Year 2017 | idA- | - |
| 33 | **Bank Mandiri (Persero) Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, and 2020 | idAAA | - |
| | Subordinated MTN Year 2018 | idAA | - |
| 34 | **Bank Mayapada Internasional Tbk.** | idBBB+ | Negative |
| | Subordinated Bond Year 2014 and 2018 | idBBB- | - |
| | Shelf Registration Subordinated Bond Year 2017 | idBBB- | - |
| 35 | **Bank Maybank Indonesia Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2017, 2018, and 2019 | idAAA | - |
| | Shelf Registration Subordinated Bond Year 2014 and 2016 | idAA | - |
| 36 | **Bank Mega Tbk.** | idAA- | Stable |
| 37 | **Bank Negara Indonesia (Persero) Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2017 | idAAA | - |
| | Subordinated MTN Year 2018 | idAA | - |
| 38 | **Bank OCBC NISP Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2018 | idAAA | - |
| 39 | **Bank Pan Indonesia Tbk.** | idAA | Stable |
| | Shelf Registration Bond Year 2016 and 2018 | idAA | - |
| | Shelf Registration Subordinated Bond Year 2016, 2017, and 2018 | idA+ | - |
| 40 | **Bank Panin Dubai Syariah Tbk.** | idA+ | Stable |
| 41 | **Bank Pembangunan Daerah Daerah Istimewa Yogyakarta** | idA | Stable |
| 42 | **Bank Pembangunan Daerah Jawa Barat dan Banten Tbk.** | idAA- | Stable |
| | Shelf Registration Bond Year 2017, 2018, and 2019 | idAA- | - |
| | Shelf Registration Subordinated Bond Year 2017 and 2020 | idA | - |
| 43 | **Bank Pembangunan Daerah Jawa Tengah** | idA+ | Stable |
| | Subordinated Bond Year 2015 | idA- | - |
| 44 | **Bank Pembangunan Daerah Jawa Timur Tbk.** | idA+ | Stable |
| 45 | **Bank Pembangunan Daerah Kalimantan Selatan** | idA- | Stable |
| 46 | **Bank Pembangunan Daerah Kalimantan Timur dan Kalimantan Utara** | idA | Stable |
| 47 | **Bank Pembangunan Daerah Nusa Tenggara Timur** | idA- | Stable |
| | Shelf Registration Bond Year 2018 | idA- | - |
| 48 | **Bank Pembangunan Daerah Papua** | idA- | Stable |
| 49 | **Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat** | idA+ | Stable |
| | Shelf Registration Bond Year 2016, 2018, and 2020 | idA+ | - |
| | Sukuk Mudharabah Year 2016 | idA+(sy) | - |
| 50 | **Bank Pembangunan Daerah Sumatera Barat (Bank Nagari)** | idA | Stable |
| 51 | **Bank Permata Tbk.** | idAAA | Stable |
| | Shelf Registration Subordinated Bond Year 2014 | idAA | - |

| No | Company | Rating | Outlook |
|---|---|---|---|
| 52 | **Bank Rakyat Indonesia (Persero) Tbk.** | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, and 2019 | idAAA | - |
| | Subordinated Bond Year 2018 | idAA | - |
| 53 | **Bank Rakyat Indonesia Agroniaga Tbk.** | idAA | Stable |
| | Bond Year 2017 | idAA | - |
| 54 | **Bank Sahabat Sampoerna** | idA- | Stable |
| 55 | **Bank Sumut** | idA | Stable |
| | Shelf Registration Subordinated Bond Year 2018 | idBBB+ | - |
| 56 | **Bank Syariah Indonesia Tbk.** | idAAA | Stable |
| | Sukuk Mudharabah Subordinated Year 2016 | idAA(sy) | - |
| 57 | **Bank Tabungan Negara (Persero) Tbk.** | idAA+ | Stable |
| | Bond Year 2011 | idAA+ | - |
| | Shelf Registration Bond Year 2012, 2013, 2015, 2016, 2017, 2019, and 2020 | idAA+ | - |
| 58 | **Bank Victoria International Tbk.** | idA- | Negative |
| | Shelf Registration Bond Year 2017, 2018, and 2019 | idA- | - |
| | Shelf Registration Subordinated Bond Year 2017, 2018, 2019, and 2020 | idBBB | - |
| 59 | **Barata Indonesia (Persero)** | idSD | - |
| | MTN I Year 2017 Series A | idCCC | - |
| | MTN I Year 2017 Series B | idD | - |
| 60 | **Barito Pacific Tbk.** | idA | Stable |
| | Shelf Registration Bond Year 2019 and 2020 | idA | - |
| 61 | **Batavia Prosperindo Finance Tbk.** | idBBB | Stable |
| | Shelf Registration Bond Year 2018 | idBBB | - |
| 62 | **BCA Finance** | idAAA | Stable |
| | Shelf Registration Bond Year 2019 | idAAA | - |
| 63 | **Bio Farma (Persero)** | idAAA | Stable |
| | MTN Year 2018 | idAAA | - |
| | MTN Syariah Mudharabah Year 2018 | idAAA(sy) | - |
| 64 | **BRI Asuransi Indonesia** | idAA | Stable |
| 65 | **BRI Multifinance Indonesia** | idAA- | Stable |
| | MTN Year 2019 | idAA- | - |
| 66 | **Bumi Serpong Damai Tbk.** | idAA- | Stable |
| | Shelf Registration Bond Year 2016 | idAA- | - |
| 67 | **Bussan Auto Finance** | idAA | Stable |
| | Bond Year 2019 | idAA | - |
| 68 | **Chandra Asri Petrochemical Tbk.** | idAA- | Stable |
| | Bond Year 2016 | idAA- | - |
| | Shelf Registration Bond Year 2017, 2018, 2019, 2020, and 2021 | idAA- | - |
| 69 | **Clipan Finance Indonesia Tbk.** | idAA- | Stable |
| 70 | **Credit Guarantee and Investment Facility** | idAAA | Stable |
| 71 | **CSM Corporatama** | idBBB+ | Stable |
| 72 | **Danareksa (Persero)** | idA | Stable |
| | MTN Year 2019 | idA | - |
| 73 | **Dharma Satya Nusantara Tbk.** | idA- | Stable |
| | Shelf Registration Bond Year 2020 | idA- | - |
| 74 | **Elnusa Tbk.** | idAA- | Stable |
| | Shelf Registration Sukuk Ijarah Year 2020 | idAA-(sy) | - |
| 75 | **Fast Food Indonesia Tbk.** | idAA | Stable |
| | Bond Year 2016 | idAA | - |
| 76 | **Federal International Finance** | idAAA | Stable |
| | Shelf Registration Bond Year 2018, 2019, and 2020 | idAAA | - |
| 77 | **Global Mediacom Tbk.** | idA | Stable |
| | Shelf Registration Bond Year 2017 and 2020 | idA | - |
| | Shelf Registration Sukuk Ijarah Year 2017 and 2020 | idA(sy) | - |
| 78 | **Hakaaston** | idBBB+ | Negative |
| | MTN Year 2018 | idBBB+ | - |
| 79 | **Hartadinata Abadi Tbk.** | idA- | Stable |
| | MTN Syariah Mudharabah Year 2019 | idA-(sy) | - |
| | Shelf Registration Bond Year 2019 and 2020 | idA- | - |
| 80 | **Hutama Karya (Persero)** | idA | Stable |
| | Shelf Registration Bond Year 2016 and 2017 | idAAA(gg) | - |
| 81 | **Impack Pratama Industri Tbk.** | idA- | Stable |
| | Bond Year 2016 | idA- | - |
| 82 | **Indah Kiat Pulp and Paper Tbk.** | idA+ | Stable |
| | Shelf Registration Bond Year 2020 and 2021 | idA+ | - |
| 83 | **Indofood Sukses Makmur Tbk.** | idAA+ | Stable |
| | Bond Year 2017 | idAA+ | - |
| 84 | **Indomobil Finance Indonesia** | idA | Stable |
| | Shelf Registration Bond Year 2017, 2018, and 2020 | idA | - |
| 85 | **Indonesia Infrastructure Finance** | idAAA | Stable |
| | Bond Year 2016 | idAAA | - |
| | Shelf Registration Bond Year 2019 and 2020 | idAAA | - |
| 86 | **Indonesia Power** | idAAA | Stable |
| 87 | **Indosat Tbk.** | idAAA | Stable |
| | Bond Year 2012 | idAAA | - |
| | Shelf Registration Bond Year 2014, 2015, 2016, 2017, 2018, and 2019 | idAAA | - |
| | Shelf Registration Sukuk Ijarah Year 2014, 2015, 2016, 2017, and 2019 | idAAA(sy) | - |
| 88 | **Industri Kereta Api (Persero)** | idBBB+ | Negative |
| | Sukuk Mudharabah Year 2020 | idBBB+(sy) | - |
| 89 | **INKA Multi Solusi** | idBBB- | Negative |
| 90 | **Integra Indocabinet Tbk.** | idA- | Stable |
| | Shelf Registration Bond Year 2021 | idA- | - |
| | Shelf Registration Sukuk Mudharabah Year 2021 | idA-(sy) | - |
| 91 | **Intiland Development Tbk.** | idBBB | Stable |
| | Bond Year 2016 | idBBB | - |
| 92 | **J Resources Asia Pasifik Tbk.** | idA | Stable |
| | Shelf Registration Bond Year 2019, 2020, and 2021 | idA | - |
| 93 | **Jakarta Lingkar Baratsatu** | idA+ | Stable |
| | Bond Year 2018 | idA+ | - |
| 94 | **Jaminan Kredit Indonesia (Jamkrindo)** | idAA+ | Stable |
| 95 | **Jaminan Pembiayaan Askrindo Syariah** | idA+ | Stable |

| No | Company | Rating | Outlook |
|---|---|---|---|
| 96 | Jamkrida Jakarta | idBBB+ | Stable |
| 97 | Jasa Marga (Persero) Tbk. | idAA- | Stable |
| | Shelf Registration Bond Year 2020 | idAA- | - |
| | Commercial Paper Year 2020 | idA1+ | - |
| 98 | Jasamarga Pandaan Tol | idA+ | Stable |
| | Sukuk Ijarah Year 2019 | idA+(sy) | - |
| 99 | Kapuas Prima Coal Tbk. | idBBB | Stable |
| | Bond Year 2018 | idBBB | - |
| 100 | KB Finansia Multi Finance | idAA- | Stable |
| 101 | Kereta Api Indonesia (Persero) | idAA+ | Negative |
| | Bond Year 2017 and 2019 | idAA+ | - |
| 102 | Ketrosden Triasmitra | | |
| | Bond Year 2020 | idAAA(cg) | - |
| 103 | KIK EBA (Asset Backed Securities) | | |
| | KIK EBA Bahana Bukopin | idAAA(sf) | - |
| | KIK EBA Danareksa BTN-KPR BTN Class A | idAAA(sf) | - |
| | KIK EBA Danareksa Indonesia Power PLN 1-Class A EBA | idAAA(sf) | - |
| | KIK EBA Mandiri JSMR01 Class A | idAAA(sf) | - |
| | KIK EBA Mandiri GIAA01 Class A EBA | idBB(sf)(cg) | Negative |
| | EBA-SP SMF-BTN02 Class A | idAAA(sf) | - |
| | EBA-SP SMF-BTN03 Class A | idAAA(sf) | - |
| | EBA-SP SMF-BTN04 Class A | idAAA(sf) | - |
| | EBA-SP SMF-BTN05 Class A | idAAA(sf) | - |
| | EBA-SP SMF-BTN06 Class A | idAAA(sf) | - |
| | EBA-SP SMF-BMRI01 ClassA | idAAA(sf) | - |
| 104 | Kimia Farma Tbk. | idAA- | Negative |
| | MTN Year 2019 | idAA- | - |
| | MTN Syariah Mudharabah Year 2019 | idAA-(sy) | - |
| 105 | Lautan Luas Tbk. | idA- | Stable |
| | Shelf Registration Bond Year 2017 and 2020 | idA- | - |
| 106 | Lembaga Pembiayaan Ekspor Indonesia | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, 2019, and 2020 | idAAA | - |
| | MTN Year 2016 | idAAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2018, 2019, and 2020 | idAAA(sy) | - |
| 107 | Lembaga Penjamin Simpanan | idAAA | Stable |
| 108 | Lontar Papyrus Pulp and Paper Industry | idA | Stable |
| | Sukuk Mudharabah Year 2018 | idA(sy) | - |
| 109 | Mandala Multifinance Tbk. | idA | Negative |
| | Shelf Registration Bond Year 2018, 2019, and 2020 | idA | - |
| 110 | Mandiri Tunas Finance | idAA+ | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2019, 2020, and 2021 | idAA+ | - |
| 111 | Marga Lingkar Jakarta | | |
| | Bond Year 2017 | idAAA(sf) | - |
| 112 | Mass Rapid Transit Jakarta (Perseroda) | idAA+ | Stable |
| 113 | Mayora Indah Tbk. | idAA | Stable |
| | Shelf Registration Bond Year 2017, 2018, and 2020 | idAA | - |
| 114 | Medco Energi Internasional Tbk. | idA+ | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, and 2020 | idA+ | - |
| 115 | Medco Power Indonesia | idA | Stable |
| | Bond Year 2018 | idA | - |
| | Sukuk Wakalah Year 2018 and 2019 | idA(sy) | - |
| 116 | Medikaloka Hermina Tbk. | idAA- | Stable |
| | Shelf Registration Bond Year 2020 | idAA- | - |
| 117 | Merdeka Copper Gold Tbk. | idA | Stable |
| | Shelf Registration Bond Year 2020 and 2021 | idA | - |
| 118 | Mitra Bisnis Keluarga Ventura | idBBB | Stable |
| 119 | MNC Kapital Indonesia Tbk. | idBBB | Stable |
| | Shelf Registration Bond Year 2018 | idBBB | - |
| 120 | Modernland Realty Tbk. | idSD | - |
| | Shelf Registration Bond Year 2015 | idCCC | - |
| 121 | Mora Telematika Indonesia | idA | Stable |
| | Bond Year 2017 | idA | - |
| | Shelf Registration Sukuk Ijarah Year 2019, 2020, and 2021 | idA(sy) | - |
| 122 | Nindya Karya (Persero) | idBBB+ | Stable |
| 123 | Oto Multiartha | idAA+ | Stable |
| | Bond Year 2017, 2018, and 2019 | idAA+ | - |
| 124 | Pabrik Gula Rajawali I | idBBB | Stable |
| 125 | Panorama Sentrawisata Tbk. | idBB+ | Stable |
| 126 | Pegadaian (Persero) | idAAA | Stable |
| | Shelf Registration Bond Year 2011, 2017, 2018, 2020, and 2021 | idAAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2020 and 2021 | idAAA(sy) | - |
| | Commercial Paper Year 2021 | idA1+ | - |
| 127 | Pelabuhan Indonesia I (Persero) | idAA- | Stable |
| | Bond Year 2016 | idAA- | - |
| 128 | Pelabuhan Indonesia IV (Persero) | idAA | Stable |
| | Bond Year 2018 | idAA | - |
| 129 | Pembangunan Jaya Ancol Tbk. | idA | Negative |
| | Shelf Registration Bond Year 2016 and 2021 | idA | - |
| 130 | Pembangunan Perumahan (Persero) Tbk. | idA | Stable |
| | Shelf Registration Bond Year 2018 and 2019 | idA | - |
| 131 | Pemerintah Kota Semarang | idA+ | Stable |
| 132 | Perikanan Nusantara (Persero) | idCCC | CreditWatch with Negative Implication |
| | MTN Year 2017 | idCCC | - |
| 133 | Perkebunan Nusantara III (Persero) | idBBB | Stable |
| | MTN Year 2018 and 2019 | idBBB | - |
| | MTN Syariah Ijarah Year 2018 | idBBB(sy) | - |
| | Sukuk Ijarah Year 2019 | idBBB(sy) | - |
| 134 | Perkebunan Nusantara X | idBBB+ | Negative |
| | MTN Year 2018 | idBBB+ | - |
| 135 | Permodalan Nasional Madani (Persero) | idA+ | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, 2019, 2020, and 2021 | idA+ | - |
| | Sukuk Mudharabah Year 2018, 2019, and 2020 | idA+(sy) | - |
| | MTN Year 2018 | idA+ | - |
| 136 | Perum Perikanan Indonesia | idBB+ | Negative |
| | MTN Year 2017 | idBB+ | - |
| 137 | Perum Perumnas | idBBB- | Negative |
| | MTN Year 2016, 2017, 2018, and 2019 | idBBB- | - |
| | Long-Term Notes Year 2020 | idBBB- | - |
| 138 | Perusahaan Listrik Negara (Persero) | idAAA | Stable |
| | Bond Year 2006, 2007, and 2010 | idAAA | - |
| | Sukuk Ijarah Year 2010 | idAAA(sy) | - |
| | Shelf Registration Bond Year 2013, 2017, 2018, 2019, and 2020 | idAAA | - |
| | Shelf Registration Sukuk Ijarah Year 2013, 2017, 2018, 2019, and 2020 | idAAA(sy) | - |
| 139 | Perusahaan Pengelola Aset (Persero) | idA | Positive |
| | MTN Year 2019 | idA | - |
| | Bond Year 2020 | idA | - |
| 140 | Pindad (Persero) | idBBB+ | Stable |
| | MTN Year 2017 | idBBB+ | - |
| 141 | Polytama Propindo | idBBB+ | Stable |
| | Bond Year 2020 | idBBB+ | - |
| | Sukuk Ijarah Year 2020 | idBBB+(sy) | - |
| 142 | Pos Indonesia (Persero) | idBBB+ | Negative |
| | MTN Year 2019 | idBBB+ | - |
| 143 | PP Properti Tbk. | idBBB- | Negative |
| | Bond Year 2016 | idBBB- | - |
| | MTN Year 2018 and 2019 | idBBB- | - |
| | Shelf Registration Bond 2018, 2019, 2020, and 2021 | idBBB- | - |
| 144 | Reasuransi Indonesia Utama (Persero) | idAA | Stable |
| | Mandatory Convertible Bond I Year 2014 | idAA- | - |
| 145 | Reasuransi Syariah Indonesia | idA+ | Stable |
| 146 | Ricobana Abadi | idBB+ | Stable |
| | MTN Year 2017 | idBB+ | - |
| 147 | Sampoerna Agro Tbk. | idA- | Stable |
| | Shelf Registration Bond Year 2020 and 2021 | idA- | - |
| | Shelf Registration Sukuk Ijarah Year 2020 and 2021 | idA-(sy) | - |
| 148 | Sarana Multi Infrastruktur (Persero) | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, 2019, and 2020 | idAAA | - |
| | Shelf Registration Green Bond Year 2018 | idAAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2018 and 2019 | idAAA(sy) | - |
| 149 | Sarana Multigriya Finansial (Persero) | idAAA | Stable |
| | Shelf Registration Bond Year 2016, 2018, 2019, 2020, and 2021 | idAAA | - |
| | Shelf Registration Sukuk Mudharabah Year 2020 and 2021 | idAAA(sy) | - |
| | MTN Year 2020 | idAAA | - |
| | MTN Syariah Mudharabah Year 2020 | idAAA(sy) | - |
| 150 | Semen Baturaja (Persero) Tbk. | idA- | Stable |
| 151 | Semen Indonesia (Persero) Tbk. | idAA+ | Stable |
| | Shelf Registration Bond Year 2017 and 2019 | idAA+ | - |
| 152 | Shinhan Indo Finance | idA- | Stable |
| 153 | Siantar Top Tbk. | idA+ | Stable |
| 154 | Sinar Mas Agro Resources and Technology Tbk. | idA+ | Stable |
| | Shelf Registration Bond Year 2020 and 2021 | idA+ | - |
| 155 | Sumberdaya Sewatama | idCCC | Negative |
| | Bond Year 2012 | idCCC | - |
| | Sukuk Ijarah Year 2012 | idCCC(sy) | - |
| 156 | Summarecon Agung Tbk. | idA | Stable |
| | Shelf Registration Bond Year 2018 and 2019 | idA | - |
| 157 | Surya Artha Nusantara Finance | idAA- | Stable |
| | Shelf Registration Bond Year 2017 | idAA- | - |
| 158 | Surya Semesta Internusa Tbk. | idBBB+ | Stable |
| | Shelf Registration Bond Year 2016 | idBBB+ | - |
| 159 | Suzuki Finance Indonesia | idA- | Stable |
| 160 | Taspen (Persero) | idAAA | Stable |
| 161 | Telkom Indonesia (Persero) Tbk. | idAAA | Stable |
| | Shelf Registration Bond Year 2015 | idAAA | - |
| | MTN Year 2018 | idAAA | - |
| | MTN Syariah Ijarah Year 2018 | idAAA(sy) | - |
| 162 | Timah Tbk. | idA | Stable |
| | Shelf Registration Bond Year 2017 and 2019 | idA | - |
| | Shelf Registration Sukuk Ijarah Year 2017 and 2019 | idA(sy) | - |
| 163 | Tridomain Performance Materials Tbk. | idSD | - |
| | MTN Year 2017 and 2018 | idD | - |
| | Bond Year 2018 and 2019 | idD | - |
| 164 | Trimegah Sekuritas Indonesia Tbk. | idA | Negative |
| | MTN Year 2021 | idA | - |
| 165 | Ultrajaya Milk Industry & Trading Company Tbk. | idAA- | Stable |
| | MTN Year 2020 | idAA- | - |
| 166 | Voksel Electric Tbk. | idA- | Negative |
| | Bond Year 2019 | idA- | - |
| 167 | Waskita Beton Precast Tbk. | idBBB- | Negative |
| | Shelf Registration Bond Year 2019 | idBBB- | - |
| 168 | Waskita Karya (Persero) Tbk. | idBBB | Stable |
| | Shelf Registration Bond Year 2016, 2017, 2018, 2019, and 2020 | idBBB | - |
| 169 | Waskita Toll Road | idBBB | Negative |
| 170 | Wijaya Karya (Persero) Tbk. | idA | Stable |
| | Shelf Registration Bond Year 2020 and 2021 | idA | - |
| | Shelf Registration Sukuk Mudharabah Year 2020 and 2021 | idA(sy) | - |
| 171 | Wijaya Karya Beton Tbk. | idA | Stable |
| 172 | Wika Realty | idBBB- | Negative |
| | MTN Year 2019 | idBBB- | - |