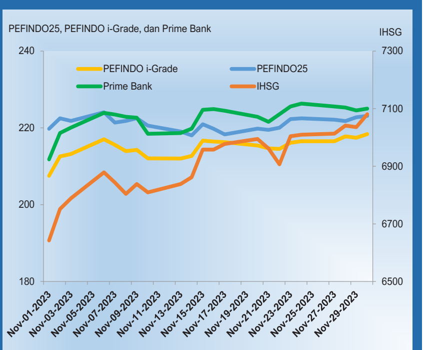
Index PEFINDO 2023



www.pefindo.com

Economic & Business Media

PEFINDO
CREDIT RATING AGENCY

December 2023 Edition

NEWSLETTER

Analysis

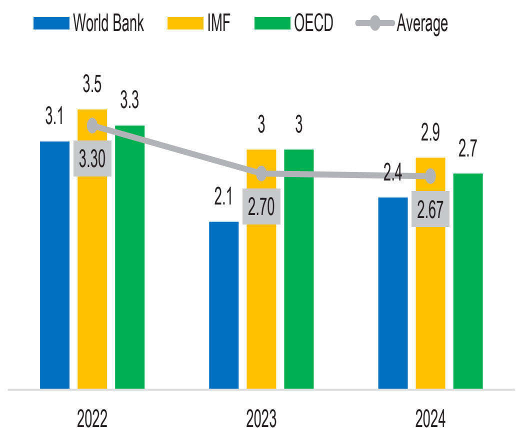
INDONESIA'S ECONOMIC OUTLOOK FOR 2024: SOLID SUPPORTED BY A CONDUCIVE DOMESTIC SITUATION

The post-pandemic world economy until the end of 2023 still faces a trilemma. Authorities in various countries are faced with three main challenges, namely reducing inflation which has soared due to pent-up demand and pressure on commodity prices due to supply chain disruption, accelerating economic recovery and growth which was previously depressed and uneven in various regions, as well as volatility in global financial markets, along with still high uncertainty. These conditions then make it difficult for the economies of various countries, which were previously able to rebound in 2021 to mid-2022, to continue their recovery trend.

Throughout this year, we have seen that rapidly increasing interest rates have created risks for various things, starting from the collapse of several banks in the United States and Switzerland, the property sector crisis in China, as well as the risk of increasing government and corporate debt. These various things have become downside risks in themselves and accompany slowing economic conditions. The World Bank, IMF, and OECD generally project that the world economy in 2023 will slow down compared to 2022 and continue its slowdown in 2024.

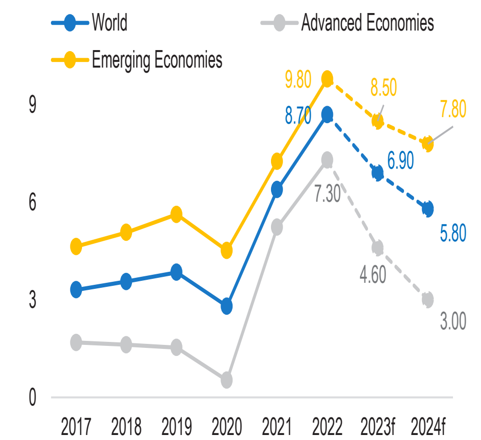
Exhibit 1. The Global Economy is Estimated to Grow Slower with Inflation Still at High Levels

Global Economic Growth Projections (%)



Source: World Bank, IMF, and OECD (2023).

Global Inflation Projection (%)



Source: IMF WEO (October 2023).

Continued to page 2

Address: Equity Tower 30th Floor, Sudirman Central Business District (SCBD) Lot 9,
Jl. Jenderal Sudirman Kav. 52-53, Jakarta 12190, INDONESIA
Phone : (021) 50968469 I Fax : (021) 50968468

Analysis

Written by:

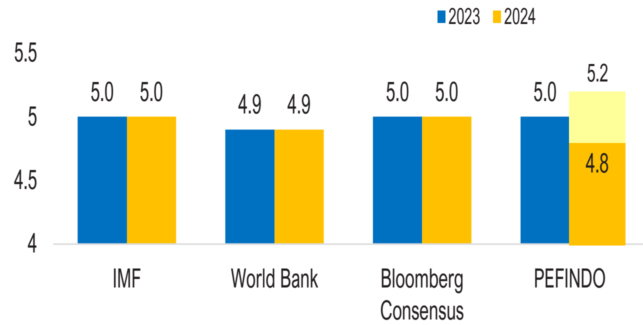
Suhindarto

Economist

Along with the post-tightening pause in monetary policy in various countries which also has an impact on slowing growth, on the other hand, this also has an impact on lower inflation in 2023. The policy stance of the main central banks has paused tightening but continues to maintain Interest rates at high levels for some time to come will also strengthen the existing implications. After previously global inflation soared in 2022 at 8.7%, in 2023 it is estimated that inflation will decline to 6.90% and will continue its downward trend until 2024 to 5.80%. However, the inflation estimate is still higher compared to the realization before the pandemic, which was in the range of 3-4%.

Exhibit 2. The Indonesian Economy is Estimated to Remain Solid in 2024

Projections for Indonesia's Economic Growth in 2023 and 2024



Source: Bloomberg and PEFINDO's Economic Research Division Estimation, 2023

In contrast to conditions occurring in the global economy, the Indonesian economy is predicted to remain solidly maintained. Various institutions, such as the IMF, World Bank, and if we look at the Bloomberg Consensus, still estimate that Indonesia's economic growth in 2024 will be in the range of 4.9% - 5.0%. In general, these various institutions still see that the Indonesian economy will record solid growth even though it is estimated that it will face a few challenges from the normalization of commodity prices which are not as high as before. Consumption will remain strong, supported by the election spending cycle, while government spending will increase in line with the promise to increase civil servant salaries in 2024. Investment will accelerate in line with licensing reforms and new government projects, while imports and exports will moderate.

The Conducive Domestic Situation is a Driving Factor amidst Still High Global Uncertainty

PEFINDO sees that maintaining domestic economic conditions in 2024 will be realized with the support of various existing driving factors, although on the other hand, we still need to continue to be aware of how several risks that are of major concern will develop in the future. In terms of driving factors, our view is not much different from various previous opinions and we see that holding simultaneous general elections next year, in general, will be able to encourage activity in various sectors, especially those related to campaign activities, such as the Food and Beverage Industry, Textile and Apparel Industry, Paper and Printing Industry, Trade, Transportation, Providing Accommodation and Restaurants, Financial Services, and Corporate Services. From the expenditure side, the election will also encourage household consumption and consumption by non-profit household service institutions (LNPRT). In addition, with the end of the current government period approaching, it is estimated that in 2024, the completion of various national strategic projects will be accelerated, which will also encourage an increase in output from the construction sector and provide a multiplier effect for the economy. The targeted larger fiscal deficit in general will also be a positive catalyst for the economy because the encouragement of government spending will be a booster for the government spending side and at the same time become a safety net for consumption by lower-middle income people.

In terms of business and corporate activity, we see that business activity which previously tended to wait and see in 2023 as the election approaches without an incumbent will begin to decrease. With the voting timeline starting in February and if there is a second round then voting again in June 2024, we estimate that uncertainty will subside further in the second semester so that business confidence will be stronger, and they will start to expand and invest again. This will of course have a positive impact on economic growth and the corporate debt securities market next year.

It is also estimated that good inflation control will continue to be a positive catalyst for the economy and the consumption sector. In 2024, the government has set a lower inflation target than in 2023, namely at 2.5% ± 1%. One of the reasons for controlled inflation is the reference interest rate which is expected to remain at 6.00%, at least until the end of semester 1. We also expect there will be a cut in interest rates in the second half of 2024, so this will also be able to accelerate the economy to grow even faster.

Furthermore, the condition of the tourism sector which has recovered after the pandemic is also expected to provide a boost to the domestic economy as foreign tourist visits to Indonesia are expected to increase the positive contribution of the service sector. The target for foreign tourists set by the government in 2024 has increased to 12.5 million - 14 million foreign tourists, from previously in 2023 which was only 8.5 million foreign tourists. In terms of the flow of goods, the prediction that the Chinese economy will recover in 2024 after the government continues to pour stimulus into the Chinese economic system, will be a positive catalyst for exports of goods from Indonesia in line with China being Indonesia's main trading partner.

Apart from these various driving factors, of course, we also still need to be aware of various risk factors that are predicted to be looming in 2024. We see that ongoing geopolitical problems, especially after Israel's aggression against Palestine, have contributed to geopolitical risks and uncertainty remaining at high levels. The potential for stagnation in global economic growth that could arise if various central banks fail to prepare and implement a soft-landing scenario due to interest rates remaining high for a longer period also needs to be watched out for. Even though the degree of openness of Indonesia's flow of goods to the global economy is still relatively low, stagnation at the global level can still spread through flows in the financial markets.

As explained at the beginning, global inflation is also predicted to remain at a relatively high level compared to pre-pandemic conditions even though it is experiencing a downward trend due to the reference interest rate being maintained at a high level for a longer time. Volatility in commodity prices due to supply chain disruption arising from war and El Nino is expected to increase the threat and make inflation even more difficult to reduce. This needs to continue to be paid attention to because it could have an impact as happened at the end of the third quarter of 2022. Lastly, we view that the increasingly intensive geoeconomic fragmentation that is occurring could also potentially hamper multilateral cooperation, so we also need to continue to be vigilant about this in the future.

Analysis

Written by:

Hanif Pradipta

Financial Institution Ratings Analyst

Written by:

Synthia Karolina Manik

Financial Institution Ratings Analyst

SECURITIZATION AS ALTERNATIVE FUNDING FOR FINANCING COMPANIES

PEFINDO is of the view that asset-backed securitization (Efek Beragun Aset or EBA) represents a promising avenue for finance companies seeking to diversify their funding structures. This strategy enables enhanced liquidity and facilitates access to more cost-effective funds for financing companies. Among the available funding alternatives, finance companies in Indonesia remain heavily reliant on bank funding and debt issuance to sustain their business growth. Finance companies would be better off if it could decrease its level of dependency, although we acknowledge that fostering and maintaining strong relationships with their banking partners will continue to be a crucial factor as a risk mitigation measure against liquidity challenges.

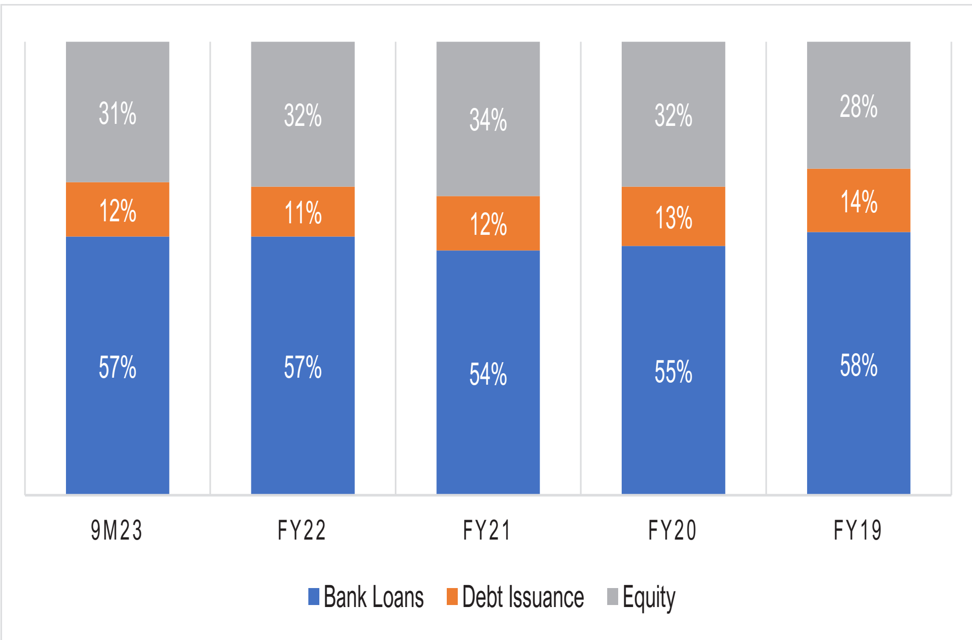
It is essential to acknowledge that access to the capital market through debt securities issuances remains somewhat constrained for finance companies, primarily due to a relatively smaller investor base and the inherent conservatism of investors when dealing with unsecured financial products. An additional funding option at the disposal of these finance companies is the utilization of shareholder loans. However, this approach necessitates robust financial capabilities and an ongoing commitment of shareholders to support the growth trajectory of the finance companies.

According to OJK data as of September 2023 (9M23), the funding composition of financing companies in Indonesia comprises bank borrowings at 57%, debt issuances at 12%, and internal equity at 31% of the overall industry funding structure. This composition underscores the significant dependence on banking institutions, rendering finance companies potentially vulnerable when seeking to raise funds during periods of tightened liquidity. In such circumstances, they may be compelled to accept a higher cost of funding or to downsize operations in navigating these challenges.

Benefits of asset securitization for finance companies

Asset securitization emerges as an appealing alternative for finance companies, offering several advantages such as cost efficiency and enhanced liquidity to bolster future growth prospects. For finance companies in need for higher credit ratings, the option to selectively allocate their high-quality assets into EBA could potentially translate into securing better funding terms, thereby increasing their funding options and addressing the cost of funding concerns. Asset securitization features also can assist financing companies in improving their liquidity ratios. Asset securitization serves to expedite the conversion of receivables into immediately available cash, contribute to optimizing asset-liability management, subsequently bolstering the financial resilience and competitiveness of financing companies in the market.

Exhibit 1. Financing Companies Funding Composition



Source: OJK's Indonesian Multifinance Statistics.

Continued to page 4

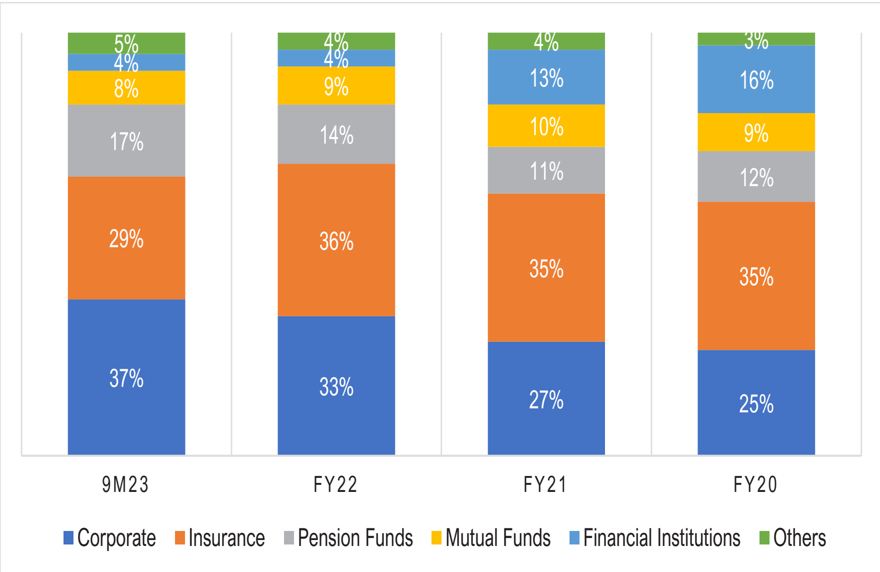
Challenges in Issuing EBA for Finance Companies

On the supply side, finance companies, as originators of securitized assets, must consider several factors that may impact their performance metrics. The limited availability of high-quality assets and adequate maturity profiles of the securitization assets pose significant challenges. In addition, the securitization process is more complex when compared to other funding alternatives, which can serve as constraints for potential originators. Furthermore, many finance companies that possess substantial high-quality asset portfolios often already obtain high credit ratings, thus limiting the extent to which they can reduce costs through securitization.

From the demand perspective, investors typically concentrate on the rate of return or coupon associated with asset securitization. Meanwhile, the rate of return or coupon for asset securitization is relatively low compared to other debt instruments, attributed to the risk mitigation mechanisms and structures inherent in asset securitization which results in high credit ratings. Conversely, the higher complexity of an asset securitization structure, compared to debt securities issuance, tends to lead most investors to choose instruments that are more familiar and easier to comprehend. Furthermore, given the lack of availability of the products, some investors may not yet develop their internal guidelines concerning securitized instruments, hindering them in investing in such assets. Notably, there is a risk of reinvestment uncertainty arising from unpredictable prepayments for financing arrangements with a pass-through nature.

According to KSEI data as of 9M2023, the ownership distribution of EBA instruments reveals that corporations hold the majority at 36.7%, followed by insurance companies at 29.5% and pension at 16.7%. Mutual funds and financial institutions occupy the fourth and fifth positions, representing 7.9% and 3.6% of ownership, respectively. Smaller ownership portions are attributed to foundations at 2.5%, individuals at 1.1%, and other entities at 2.2%. This diversified ownership profile underscores the varied preferences and risk tolerance levels among different investor types in the EBA market.

Figure 2. Ownership Distribution of EBA Instruments



Source: KSEI.

Revolving Period Schemes to Mitigate Reinvestment Risk

In response to investors' growing demand for extended transaction durations and the need to mitigate re-investment risk, one viable solution that can be incorporated into the EBA structure is a revolving or substitution period. The revolving period scheme empowers the EBA structure to utilize the proceeds from maturing financing within the pool to acquire new financing assets. Excess spreads are also temporarily retained within the structure during a predefined period rather than immediately passing through to EBA holders. Revolving structure typically includes an early redemption trigger mechanism, which accelerates the redemption of senior tranches under certain conditions, including instances where the originator is unable to service and provide new high-quality receivables to the pool. Various events may trigger early redemption, including instances where the default rate of underlying collateral assets surpasses a predetermined threshold, or when the cumulative default amount exceeds a specified level, or if the transaction fails to meet scheduled repayment obligations. These EBA transactions then will shift to an amortizing phase, typically through pass-through mechanisms, either after the revolving or substitution period or in response to an early amortization event, depending on which occurs first.

We believe that introducing a revolving period addresses certain existing limitations faced by financing companies when issuing EBA, such as the short asset maturities and the unpredictability of prepayments in financing. Nevertheless, it should be noted that the revolving scheme may not always align with investors' risk preferences. Investors may encounter difficulties in assessing the risks associated with a portfolio of assets that exhibit revolving characteristics, especially when assessing additional receivables acquired during the revolving period. Accordingly, investors may be more inclined to opt for a closed asset portfolio structure, which is easier to assess and predict throughout the investment period.

Market participants have also voiced concerns regarding the challenge of obtaining off-balance sheet (true sale) opinions when excess spreads from the pool are reinvested in additional new receivables. This issue adds complexity and may deter investors who seek the clarity and simplicity of a closed pool structure. Hence, while the revolving period can offer benefits in terms of mitigating re-investment risk and extending transaction tenor, it also introduces concerns related to risk management that investors must carefully weigh in structuring EBA transactions.

* More can read in website PEFINDO articles

PEFINDO's Media Forum

PEFINDO held a media forum on December 11, 2023. On this occasion, a presentation was delivered by Mrs. Irmawati Amran as the President Director of PEFINDO, regarding developments in the Debt Securities and Sukuk Market in Semester II-2023.

The presentation was continued by PEFINDO Economist Mr. Suhindarto who presented an update on Macroeconomics and Debt Securities Market Development.

Mrs. Irmawati Amran and Mr. Suhindarto answered questions from media colleagues regarding debt securities issuance in the country this year, the mandate received by PEFINDO, and the outlook for 2024. This media forum event was held via zoom meeting conference which was attended by 27 journalists.

PEFINDO's Analyst Gathering

PEFINDO has held its last analyst gathering this year on December 14, 2023, via zoom video conference. This analyst gathering activity discusses The Prospects for Commodity-Based Sectors.

This activity began with a presentation by Mr. Danan Dito (Head of Financial Services Ratings Division) who explained the development of corporate bonds, PEFINDO Rating Activities and Developments in Corporate Ratings.

The second session continued with a presentation by Ms. Niken Indriarsih (Head of Non-Financial Services Ratings Division 1) and the final presentation session from Mr. Suhindarto as PEFINDO Economist regarding the latest economic and market developments.

After presentations from the speakers, the event continued with a fun quiz which contained material previously presented. The 10 winners of the fun quiz were given a number of prizes which were announced at the end of the event along with the lucky draw. The event closed with a question and answer session between the participants and the speakers.

PEFINDO-PHEI Synergy in The 2024 Debt Securities Market Outlook National Seminar

Synergy between Indonesian Stock Exchange (BEI) Subsidiaries continues to be strengthened. On Monday, December 18, 2023, PT Pemeringkat Efek Indonesia (PEFINDO) received an invitation from Indonesia Bond Pricing Agency (IBPA) to be one of the speakers at the 2023 E-IBMD Book Launch and National Seminar on the 2024 Debt Securities Market Outlook. The event was opened by the President Director of IBPA, Mr. Mohamad Kadhafi Mukrom and continued with remarks from the Director of the Indonesian Stock Exchange, Mrs. Risa E. Rustam and the Director of Supervision of Securities Institutions and Supporting Institutions OJK, Mr. Arif Budiman. On this occasion, PEFINDO was represented by Suhindarto, as Acting Head of the Economic Research Division/Economist, who presented material regarding the 2023 Corporate Debt Securities Market Review and the 2024 Corporate Debt Issuance Outlook. Other speakers who participated in the panel session included Mr. Deni Ridwan (Director of Government Debt Securities, Ministry of Finance) and Kefas Sidauruk (Economist & Debt Research PT BRI Danareksa Sekuritas).

PEFINDO
CREDIT RATING AGENCY

NEWSLETTER

Bond Market

HOW PROSPECTIVE IS THE CORPORATE DEBT MARKET IN 2024?

Written by:

Ahmad Nasrudin

Economic Research Analyst

PEFINDO projects that the issuance of debt securities in 2024 will range from IDR148.15 trillion to IDR169.05 trillion. We forecast IDR155.46 trillion as the best scenario. If realized, this figure will be higher than our estimate for 2023 of IDR129.0 trillion. The optimism in our projections is based on higher refinancing needs, solid economic growth, expectations of a reduction in the benchmark interest rate, the clearer direction of the new government's programs and policies, and a controlled inflation rate.

We estimate the need for refinancing will be higher next year than in 2023. We estimate that the debt securities maturing in 2024 will reach IDR153.1 trillion or 20.6% higher than this year (IDR126.9 trillion). Next year offers an opportunity to refinance or redeem expensive debt securities for cheaper ones as monetary policy is likely to be looser than in 2023 - considering the inflation rate continues to stay within the central bank's target range. Observational data shows that issuers have adapted to high-interest rates since 2022, where they have issued more short-term tenors, hoping to replace them with cheaper ones when interest rates fall.

In addition, solid economic growth will encourage companies to raise funding from the debt market, both as working capital and as investments. We project economic growth will remain robust at around 4.8% - 5.2%, supported by strong domestic consumption and continued need for investment. A solidly growing economy will create more jobs and income for households, which promotes strong consumption growth. Finally, strong consumption will stimulate increased business activity in the food and beverage industry, tourism, etc. Apart from the real sector, the business of financial sector companies, such as multi-finance companies, will also be boosted because they are also working in the consumer sector. As a result, economic growth will encourage increased issuance of debt securities from financial and non-financial institutions, often with increased demand for their products.

We also project that next year's inflation rate will remain maintained in the range of 2.0%-3.5%. In this projection, we see an opportunity for lower monetary policy, assuming the rupiah will be more stable next year than this year in line with reduced negative external sentiment. Maintaining low inflation is essential to support consumption through its effect on household wealth because it allows households to obtain positive real yields. In addition, expectations of looser monetary policy will allow companies to raise cheaper funds than this year.

The next factor is the wait-and-see factor. 2023 will be a year full of waiting, and many businesses are still waiting for the latest developments regarding election contestation. They have been waiting for confirmation regarding the contestants who will run for president and the priority programs they will promote. The new president may bring new policies and programs that could impact the business environment and prospects. And in the next year, this factor will no longer be relevant. We hope businesses will continue their expansion once the uncertainty subsides.

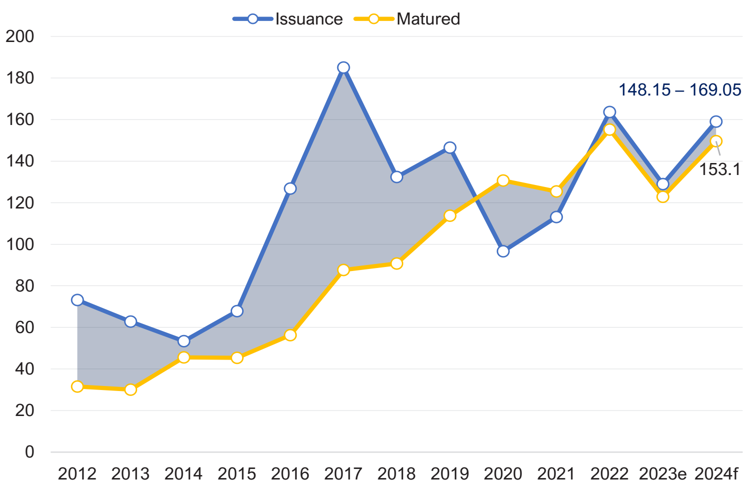
Finally, some companies, such as multi-finance companies, continue to look for alternative funding other than banking. Banking liquidity is expected to get tighter next year - unless monetary easing is carried out at the beginning of the year - making the loan interest offered more expensive. As a result, they will look for alternative sources of financing, one of which is the issuance of debt securities. Based on our observations, issuing debt securities is relatively more competitive than lending to banks, especially for finance companies with solid ratings. For example, the average coupon for debt securities rated AAA, AA, and A for a tenor of 1 year is 5.9%, 6.0%, and 7.2%, respectively. This percentage is lower than bank loans for working capital (9.05%) and investment (8.82%). Meanwhile, issuers with ratings below must bear higher coupons.

However, we are alert to several risk factors that may cause next year's issuance to exceed our expectations. The first is a scenario if high interest rates persist until near the end of the year. If a change in monetary stance towards a looser direction occurs towards the end of 2024, the effect on issuance will be short-lived. So, it is unlikely that it will boost issuance next year. On the other hand, the issuance may be restrained due to high-interest rates, increased leverage, and weaker economic growth due to a decline in aggregate demand.

Additionally, geopolitical risks must be watched for, making global investors risk-averse. This will be a negative sentiment for the domestic capital market because it impacts a volatile market due to fluctuations in foreign capital flows. As a result, there will be more risk premium required.

New higher supply. Demand-supply fundamentals in 2023 are relatively well maintained, considering domestic demand is still solid, and new supply is relatively small, considering the budget surplus until October. However, we estimate that the surplus will only last for a while next year. So, the government needs to raise more financing in the debt securities market. As a result, the new supply will be more than this year, negatively affecting yields. The government is targeting a budget deficit of IDR523 trillion in 2024, up from IDR486 trillion in 2023. Meanwhile, the financing target through debt securities will double, compared to the 2023 estimate of IDR666 trillion (2023 estimate: IDR363 trillion).

Exhibit 1. Trends and Maturity of Corporate Debt Securities



Source: Bloomberg.

PEFINDO
CREDIT RATING AGENCY

Companies & Debt Securities Rated by PEFINDO

November 30, 2023

No	Company	Rating	Outlook
1	**Adhi Commuter Properti**	idBBB	Stable
	Bond Year 2021 and 2022	idBBB	-
	Sukuk Ijarah *Jangka Panjang* Year 2023	idBBB(sy)	-
2	**Adhi Guna Putera**	idA-	Stable
	MTN Year 2022	idA-	-
3	**Adhi Karya (Persero) Tbk.**	idA-	Stable
	SR Bond Year 2019, 2021, and 2022	idA-	-
4	**Adi Sarana Armada Tbk.**	idA-	Stable
5	**Adira Dinamika Multi Finance Tbk.**	idAAA	Stable
	SR Bond Year 2019, 2021, 2022, and 2023	idAAA	-
	SR Sukuk Mudharabah Year 2019, 2021, 2022, and 2023	idAAA(sy)	-
6	**AKR Corporindo Tbk.**	idAA	Stable
	SR Bond Year 2017	idAA	-
7	**Allo Bank Indonesia Tbk.**	idA	Stable
8	**Angkasa Pura I**	idAA+	Stable
	Bond Year 2016	idAA+	-
	Sukuk Ijarah Year 2016	idAA+(sy)	-
	SR Bond Year 2021	idAA+	-
	SR Sukuk Ijarah Year 2021	idAA+(sy)	-
9	**Angkasa Pura II**	idAAA	Stable
	Bond Year 2016	idAAA	-
	SR Bond Year 2018 and 2020	idAAA	-
10	**Ansaf Inti Resources**	idBBB	Stable
11	**Arkora Hydro Tbk.**		
	Green Bond Year 2023	idA(pg)	-
12	**ASDP Indonesia Ferry (Persero)**	idAA+	Stable
13	**Astra Sedaya Finance**	idAAA	Stable
	SR Bond Year 2019, 2021, and 2022	idAAA	-
14	**Asuransi Binagriya Upakara**	idBBB+	Stable
15	**Asuransi Central Asia**	idAA-	Stable
16	**Asuransi Jiwa Inhealth Indonesia**	idAA	Stable
17	**Asuransi Jiwa Taspen**	idA-	Stable
18	**Asuransi Kredit Indonesia**	idAA+	Stable
19	**Asuransi Perisai Listrik Nasional**	idBBB+	Stable
20	**Asuransi Sahabat Artha Proteksi**	idBBB	Stable
21	**Asuransi Sinar Mas**	idAA+	Stable
22	**Asuransi Tri Pakarta**	idA	Stable
23	**Asuransi Umum BCA**	idAA	Stable
24	**Bahana Pembinaan Usaha Indonesia (Persero)**	idAAA	Stable
	MTN Year 2022	idAAA	-
25	**Bali Towerindo Sentra Tbk.**	idA-	Stable
	SR Sukuk Ijarah Year 2022	idA-(sy)	-
26	**Bank BCA Syariah**	idAA+	Stable
27	**Bank BNP Paribas Indonesia**	idAAA	Stable
28	**Bank BTPN Tbk.**	idAAA	Stable
29	**Bank Capital Indonesia Tbk.**	idBBB+	Stable
	Subordinated Bond Year 2017	idBBB-	-
30	**Bank Central Asia Tbk.**	idAAA	Stable
	SR Subordinated Bond Year 2018	idAA	-
31	**Bank China Construction Bank Indonesia Tbk.**	idAAA	Stable
32	**Bank CIMB Niaga Tbk.**	idAAA	Stable
	SR Bond Year 2019	idAAA	-
	SR Subordinated Bond Year 2019	idAA	-
	Subordinated Bond Year 2018	idAA	-
	SR Sukuk Mudharabah Year 2019 and 2020	idAAA(sy)	-
33	**Bank Danamon Indonesia Tbk.**	idAAA	Stable
34	**Bank DKI**	idAA	Stable
35	**Bank KB Bukopin Tbk.**	idAAA	Stable
	SR Subordinated Bond Year 2017	idAA	-
36	**Bank Mandiri (Persero) Tbk.**	idAAA	Stable
	SR Bond Year 2016, 2017, and 2020	idAAA	-
	Subordinated MTN Year 2023	idAA	-
	SR Green Bond Year 2023	idAAA	-
37	**Bank Mandiri Taspen**	idAAA	Stable
38	**Bank Mayapada Internasional Tbk.**	idBBB+	Stable
	Subordinated Bond Year 2018	idBBB-	-
	SR Subordinated Bond Year 2017	idBBB-	-
39	**Bank Maybank Indonesia Tbk.**	idAAA	Stable
	SR Bond Year 2017, 2019, and 2022	idAAA	-
40	**Bank Mega Tbk.**	idAA-	Stable
41	**Bank Muamalat Indonesia Tbk.**	idA+	Stable
	Sukuk Mudharabah Year 2021	idA+(sy)	-
42	**Bank Negara Indonesia (Persero) Tbk.**	idAAA	Stable
	Green Bond Year 2022	idAAA	-
43	**Bank Oke Indonesia Tbk.**	idA-	Stable
44	**Bank Pan Indonesia Tbk.**	idAA	Stable
	SR Subordinated Bond Year 2017 and 2018	idA+	-
45	**Bank Panin Dubai Syariah Tbk.**	idAA-	Stable
46	**Bank Pembangunan Daerah Bali**	idA+	Stable
47	**Bank Pembangunan Daerah Daerah Istimewa Yogyakarta**	idA	Stable
48	**Bank Pembangunan Daerah Jawa Barat dan Banten Tbk.**	idAA	Stable
	SR Bond Year 2017 and 2019	idAA	-
	SR Subordinated Bond Year 2017, 2020, 2021, and 2022	idA+	-
49	**Bank Pembangunan Daerah Jawa Tengah**	idAA-	Stable
50	**Bank Pembangunan Daerah Kalimantan Barat**	idA	Stable
51	**Bank Pembangunan Daerah Nusa Tenggara Timur**	idA-	Stable
	SR Bond Year 2018	idA-	-
52	**Bank Pembangunan Daerah Papua**	idA	Stable
53	**Bank Pembangunan Daerah Sulawesi Selatan dan Sulawesi Barat**	idA+	Stable
	SR Bond Year 2018, 2020, and 2021	idA+	-

Notes: SR = Shelf Registration

No	Company	Rating	Outlook
54	**Bank Pembangunan Daerah Sulawesi Tengah**	idA-	Stable
55	**Bank Pembangunan Daerah Sumatera Selatan dan Bangka Belitung**	idA+	Stable
56	**Bank Permata Tbk.**	idAAA	Stable
57	**Bank Rakyat Indonesia (Persero) Tbk.**	idAAA	Stable
	SR Bond Year 2016, 2017, 2018, and 2019	idAAA	-
	SR Green Bond Year 2022 and 2023	idAAA	-
	Subordinated Bond Year 2023	idAA	-
58	**Bank Sahabat Sampoerna**	idA-	Stable
59	**Bank Sumut**	idA	Stable
	SR Subordinated Bond Year 2018	idBBB+	-
60	**Bank Syariah Indonesia Tbk.**	idAAA	Stable
	Sukuk Mudharabah Subordinated Year 2016	idAA(sy)	-
61	**Bank Tabungan Negara (Persero) Tbk.**	idAAA	Stable
62	**Bank Victoria International Tbk.**	idA-	Stable
	SR Bond Year 2023	idA-	-
	SR Subordinated Bond Year 2017, 2018, 2019, and 2020	idBBB	-
63	**Barito Pacific Tbk.**	idA+	Stable
	SR Bond Year 2019, 2020, 2021, 2022, and 2023	idA+	-
64	**BCA Finance**	idAAA	Stable
65	**BCA Multi Finance**	idAA	Stable
66	**BNI Life Insurance**	idAA+	Stable
67	**BRI Asuransi Indonesia**	idAA	Stable
68	**BRI Multifinance Indonesia**	idAA	Stable
	MTN Year 2021	idAA	-
	Bond Year 2022 and 2023	idAA	-
69	**Bukit Asam Tbk.**	idAA	Stable
70	**Bumi Serpong Damai Tbk.**	idAA-	Stable
	SR Bond Year 2022	idAA-	-
	SR Sukuk Ijarah Year 2022	idAA-(sy)	-
71	**Bussan Auto Finance**	idAAA	Stable
	SR Bond Year 2022 and 2023	idAAA	-
72	**Chandra Asri Petrochemical Tbk.**	idAA-	Stable
	SR Bond Year 2017, 2018,, 2020, 2021, 2022, and 2023	idAA-	-
73	**Credit Guarantee and Investment Facility**	idAAA	Stable
74	**Dana Investasi Infrastruktur Toll Road Mandiri-001**	idAA-	Stable
75	**Danareksa (Persero)**	idAA	Stable
	Bond Year 2023	idAA	-
76	**Dayamitra Telekomunikasi Tbk.**	idAAA	Stable
	MTN Year 2023	idAAA	-
77	**Dharma Satya Nusantara Tbk.**	idA	Stable
	SR Bond Year 2020	idA	-
78	**Elnusa Tbk.**	idAA	Stable
	SR Sukuk Ijarah Year 2020	idAA(sy)	-
79	**Federal International Finance**	idAAA	Stable
	SR Bond Year 2021, 2022, and 2023	idAAA	-
80	**Global Mediacom Tbk.**	idA+	Stable
	SR Bond Year 2017, 2020, 2021, 2022, and 2023	idA+	-
	SR Sukuk Ijarah Year 2017, 2020, 2021, 2022, and 2023	idA+(sy)	-
81	**Gunung Raja Paksi Tbk.**	idA	Stable
82	**Hartadinata Abadi Tbk.**	idA	Stable
	SR Bond Year 2019	idA	-
83	**Hutama Karya (Persero)**	idAA-	Stable
	SR Bond Year 2016 and 2017	idAAA(gg)	-
	SR Bond Year 2021 and 2022	idAA-	-
	SR Sukuk Mudharabah Year 2021 and 2022	idAA-(sy)	-
84	**Indah Kiat Pulp and Paper Tbk.**	idA+	Stable
	SR Bond Year 2020, 2021, 2022, and 2023	idA+	-
	SR Sukuk Mudharabah Year 2021, 2022, and 2023	idA+(sy)	-
85	**Indofood Sukses Makmur Tbk.**	idAA+	Stable
86	**Indomobil Finance Indonesia**	idA+	Stable
	SR Bond Year 2020, 2021, 2022, and 2023	idA+	-
87	**Indonesia Asahan Aluminium**	idAA-	Stable
88	**Indonesia Infrastructure Finance**	idAAA	Stable
	SR Bond Year 2019 and 2020	idAAA	-
89	**Indonesia Paradise Property Tbk.**	idBBB+	Stable
90	**Indoperkasa Suksesjaya Reasuransi**	idA-	Stable
91	**Indosat Tbk.**	idAAA	Stable
	SR Bond Year 2014, 2015, 2016, 2017, 2018, 2019, and 2022	idAAA	-
	SR Sukuk Ijarah Year 2015, 2016, 2017, 2019, and 2022	idAAA(sy)	-
92	**Industri Kereta Api (Persero)**	idBBB+	Stable
	Sukuk Mudharabah Year 2020	idBBB+(sy)	-
93	**Integra Indocabinet Tbk.**	idA	Stable
	SR Bond Year 2021 and 2022	idA	-
	SR Sukuk Mudharabah Year 2021 and 2022	idA(sy)	-
94	**Integrasi Jaringan Ekosistem**		
	Project Rating	idA-(sf)	-
95	**J Resources Asia Pasifik Tbk.**	idBBB+	Stable
	SR Bond Year 2020	idBBB+	-
	MTN Year 2022	idBBB+	-
96	**J Trust Bank Indonesia Tbk.**	idBBB+	Stable
97	**Jakarta Lingkar Baratsatu**	idAA-	Stable
98	**Jaminan Kredit Indonesia**	idAA+	Stable
99	**Jaminan Pembiayaan Askrindo Syariah**	idA+	Stable
100	**Jasa Marga (Persero) Tbk.**	idAA	Stable
	SR Bond Year 2020	idAA	-
101	**Jasamarga Pandaan Tol**	idAA-	Stable
	Sukuk Ijarah Year 2019	idAA-(sy)	-
102	**Kapuas Prima Coal Tbk.**	idBBB	Stable
	Bond Year 2018	idBBB	-

Companies & Debt Securities Rated by PEFINDO

November 30, 2023

No	Company	Rating	Outlook
103	**Kereta Api Indonesia (Persero)**	idAAA	Stable
	Bond Year 2017 and 2019	idAAA	-
	SR Bond Year 2022	idAAA	-
	SR Sukuk Ijarah Year 2022	idAAA(sy	-
104	**Ketrosden Triasmitra**		
	Bond Year 2020	idAAA(cg)	-
105	**KIK EBA (Asset Backed Securities)**		
	KIK EBA Bahana Bukopin	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-BTN07 Class A	idAAA(sf)	-
	EBA-SP SMF-BTN08 Class A	idAAA(sf)	-
	EBA-SP SMF-BMRI01 Class A	idAAA(sf)	-
	EBAS-SP SMF-BRIS01 Class A	idAAA(sy)(sf)	-
106	**Lautan Luas Tbk.**	idA	Positive
	SR Bond Year 2020 and 2021	idA	-
107	**Lembaga Pembiayaan Ekspor Indonesia**	idAAA	Stable
	SR Bond Year 2017, 2018, and 2019	idAAA	-
	SR Sukuk Mudharabah Year 2018 and 2019	idAAA(sy)	-
108	**Lembaga Penjamin Simpanan**	idAAA	Stable
109	**Lontar Papyrus Pulp and Paper Industry**	idA	Positive
	SR Bond Year 2021, 2022, and 2023	idA	-
110	**Mandala Multifinance Tbk.**	idA	Positive
	SR Bond Year 2020 and 2021	idA	-
	SR Sukuk Mudharabah Year 2022 and 2023	idA(sy)	-
111	**Mandiri Tunas Finance**	idAAA	Stable
	SR Bond Year 2019, 2020, 2021, 2022, and 2023	idAAA	-
112	**Mandiri Utama Finance**	idAAA	Stable
113	**Marga Lingkar Jakarta**		
	Bond Year 2017	idAAA(sf)	-
114	**Mayora Indah Tbk.**	idAA	Stable
	SR Bond Year 2020 and 2022	idAA	-
115	**Medco Energi Internasional Tbk.**	idAA-	Stable
	SR Bond Year 2016, 2017, 2020, 2021, 2022, and 2023	idAA-	-
116	**Medco Power Indonesia**	idA	Stable
	Bond Year 2018	idA	-
	Sukuk Wakalah Year 2018 and 2019	idA(sy)	-
	SR Sukuk Wakalah Year 2022	idA(sy)	-
117	**Medikaloka Hermina Tbk.**	idAA	Stable
	SR Bond Year 2020 and 2022	idAA	-
118	**Merdeka Battery Materials Tbk.**	idA	Stable
119	**Merdeka Copper Gold Tbk.**	idA+	Stable
	SR Bond Year 2021, 2022, and 2023	idA+	-
120	**MNC Energy Investments Tbk.**	idA-	Stable
	SR Bond Year 2023	idA-	-
	SR Sukuk Wakalah Year 2023	idA-(sy)	-
121	**MNC Kapital Indonesia Tbk.**	idBBB+	Stable
	SR Bond Year 2022 and 2023	idBBB+	-
122	**Mora Telematika Indonesia**	idA+	Stable
	SR Sukuk Ijarah Year 2019, 2020, 2021, and 2023	idA+(sy)	-
123	**Oki Pulp and Paper Mills**	idA+	Stable
	Bond Year 2021 and 2022	idA+	-
	Sukuk Mudharabah Year 2021 and 2022	idA+(sy)	-
	SR Bond Year 2023	idA+	-
	SR Green Bond Year 2023	idA+	-
	SR Sukuk Mudharabah Year 2023	idA+(sy)	-
124	**Oto Multiartha**	idAA+	Stable
	Bond Year 2019	idAA+	-
	SR Bond Year 2023	idAA+	-
125	**Patra Jasa**	idA+	Stable
126	**Pegadaian**	idAAA	Stable
	SR Bond Year 2020, 2021, 2022, and 2023	idAAA	-
	SR Sukuk Mudharabah Year 2020, 2021, 2022, and 2023	idAAA(sy)	-
127	**Pelabuhan Indonesia (Persero)**	idAAA	Stable
	Bond Year 2016 and 2018	idAAA	-
128	**Pembangunan Jaya Ancol Tbk.**	idA+	Stable
	SR Bond Year 2021	idA+	-
129	**Pembangunan Perumahan (Persero) Tbk.**	idA	Stable
	SR Bond Year 2019, 2021, 2022, and 2023	idA	-
	SR Sukuk Mudharabah Year 2021, 2022, and 2023	idA(sy)	-
130	**Penjaminan Jamkrindo Syariah**	idA+	Stable
131	**Perkebunan Nusantara III (Persero)**	idBBB+	Positive
	MTN Year 2018 and 2019	idBBB+	-
	MTN Syariah Ijarah Year 2018	idBBB+(sy)	-
	Sukuk Ijarah Year 2019	idBBB+(sy)	-
132	**Perkebunan Nusantara V**	idBBB+	Positive
	MTN Year 2021	idBBB+	-
133	**Perkebunan Nusantara X**	idBBB	Stable
	MTN Year 2018	idBBB	-
134	**Permodalan Nasional Madani**	idAA+	Stable
	SR Bond Year 2019, 2020, 2021, and 2022	idAA+	-
	Sukuk Mudharabah Year 2019 and 2020	idAA+(sy)	-
	SR Sukuk Mudharabah Year 2021 and 2023	idAA+(sy)	-
	Sukuk Mudharabah *Jangka Menengah* Year 2022	idAA+(sy)	-
135	**Perum Perumnas**	idBBB-	Negative
	MTN Year 2018 and 2019	idBBB-	-
	Long-Term Notes Year 2020	idBBB-	-
136	**Perusahaan Listrik Negara (Persero)**	idAAA	Stable
	SR Bond Year 2013, 2017, 2018, 2019, and 2020	idAAA	-
	SR Sukuk Ijarah Year 2013, 2017, 2018, 2019, and 2020	idAAA(sy)	-
137	**Perusahaan Pengelola Aset**	idAA	Stable
	Bond Year 2020	idAA	-
	Sukuk Wakalah Bi Al-Istitsmar *Jangka Panjang* Year 2022	idAA(sy)	-
	Commercial Paper Year 2022	idA1+	-
138	**Pindad**	idBBB+	Stable
	MTN Year 2021	idBBB+	-
139	**Pindo Deli Pulp & Paper Mills**	idA	Stable
	Bond Year 2022	idA	-
	Sukuk Mudharabah Year 2022	idA(sy)	-
140	**Polytama Propindo**	idA-	Stable
	Bond Year 2020	idA-	-
	Bond Year 2021	idAAA(cg)	-
	Sukuk Ijarah Year 2021	idAAA(sy)(cg)	-
	Sukuk Ijarah *Jangka Menengah* Year 2022	idAAA(sy)(cg)	-
141	**Pos Indonesia (Persero)**	idBBB+	Stable
	MTN Year 2021	idBBB+	-
142	**PP Presisi Tbk.**	idBBB+	Stable
	SR Bond Year 2022	idBBB+	-
143	**PP Properti Tbk.**	idBBB-	Stable
	SR Bond 2020, 2021, and 2022	idBBB-	-
144	**Pratama Mitra Sejati**	idA-	Stable
145	**Provident Investasi Bersama Tbk.**	idA	Stable
	SR Bond Year 2023	idA	-
146	**Putra Indotenaga**	idA-	Stable
147	**Reasuransi Indonesia Utama (Persero)**	idAA-	Stable
	Mandatory Convertible Bond I Year 2014	idA+	-
148	**Reasuransi Nasional Indonesia**	idBBB+	Stable
149	**Reasuransi Syariah Indonesia**	idA-	Stable
150	**Ricobana Abadi**	idCCC	Negative
	MTN Year 2017	idCCC	-
151	**Sampoerna Agro Tbk.**	idA	Stable
	SR Bond Year 2020, 2021, and 2022	idA	-
	SR Sukuk Ijarah Year 2020, 2021, and 2022	idA(sy)	-
152	**Samudera Indonesia Tbk.**	idA+	Stable
	SR Sukuk Ijarah Year 2023	idA+(sy)	-
153	**Sarana Multi Infrastruktur (Persero)**	idAAA	Stable
	SR Bond Year 2016, 2019, 2020, 2022, and 2023	idAAA	-
	SR Sukuk Mudharabah Year 2019 and 2022	idAAA(sy)	-
154	**Sarana Multigriya Finansial (Persero)**	idAAA	Stable
	SR Bond Year 2019, 2020, 2021, 2022, and 2023	idAAA	-
	SR Sukuk Musyarakah Year 2023	idAAA(sy)	-
155	**Satria Antaran Prima Tbk.**	idBBB	Stable
156	**Sejahteraraya Anugrahjaya Tbk.**	idA	Stable
	Bond Year 2022	idA	-
157	**Semen Indonesia (Persero) Tbk.**	idAA+	Positive
	SR Bond Year 2019 and 2022	idAA+	-
158	**Sinar Mas Agro Resources and Technology Tbk.**	idAA-	Stable
	SR Bond Year 2020, 2021, and 2022	idAA-	-
159	**Steel Pipe Industry of Indonesia Tbk.**	idA	Stable
	SR Bond Year 2021, 2022, and 2023	idA	-
	SR Sukuk Ijarah Year 2021, 2022, and 2023	idA(sy)	-
160	**Summarecon Agung Tbk.**	idA+	Stable
	SR Bond Year 2019, 2022, and 2023	idA+	-
161	**Surya Artha Nusantara Finance**	idAA	Stable
	SR Bond Year 2022 and 2023	idAA	-
162	**Tamaris Hidro**		
	Bond Year 2022	idAAA(sf)	-
163	**TBS Energi Utama Tbk.**	idA	Stable
	Bond Year 2023	idA	-
164	**Telkom Indonesia (Persero) Tbk.**	idAAA	Stable
	SR Bond Year 2015	idAAA	-
165	**Timah Tbk.**	idA	Stable
	SR Bond Year 2019	idA	-
	SR Sukuk Ijarah Year 2019	idA(sy)	-
	MTN Year 2022	idA	-
166	**Trimegah Sekuritas Indonesia Tbk.**	idA	Stable
	MTN Year 2021	idA	-
	SR Bond Year 2023	idA	-
167	**Ultrajaya Milk Industry & Trading Company Tbk.**	idAA	Stable
168	**Voksel Electric Tbk.**	idBBB	Stable
	Bond Year 2019	idBBB	-
169	**Wahana Inti Selaras**	idA	Stable
	Bond Year 2022 and 2023	idA	-
170	**Waskita Beton Precast Tbk.**	idB	Stable
	Bond Year 2022	idB	-
171	**Waskita Karya (Persero) Tbk.**	idSD	-
	SR Bond Year 2019	idCCC	-
	SR Bond Year 2018	idD	-
	SR Bond Year 2020	idD	-
	Bond Year 2021 and 2022	idAAA(gg)	-
	Sukuk Mudharabah Year 2022	idAAA(sy)(gg)	-
172	**Waskita Toll Road**	idBB+	Stable
173	**Wijaya Karya (Persero) Tbk.**	idBBB	Negative
	SR Bond Year 2020, 2021, and 2022	idBBB	-
	SR Sukuk Mudharabah Year 2020, 2021, and 2022	idBBB(sy)	-
174	**Wijaya Karya Beton Tbk.**	idA-	Stable
175	**Wika Realty**	idBB+	Stable
	MTN Year 2019	idBB+	-
	Convertible Bond Year 2019	idBB+(cg)	-

Notes: SR = Shelf Registration