Profit taking

JCI touched -2% in the morning session today, as investors take profit, after reaching all time high. Meanwhile, there was demonstration/protest in the parliament yesterday. On the other side, Rupiah weakened immediately, almost touched 16,500 this morning. The drop is driven by few sectors, such as financial (-2.4%), infrastructure (-3.4%), basic materials (-3.1%), consumer cyclical (-4.3%), energy (-2.7%), and tech (-2.2%). Meanwhile, other sectors are doing relatively better, such as consumer non-cyclical (-1.7%), industrial (+1.3%),.

JCI's mover as of 10.54 am today (points):

Leaders		Laggards	
DSSA	+4.4	BREN	-13.3
IMPC	+1.4	BBRI	-13.2
SRAJ	+0.8	BBCA	-10.7
PGUN	+0.6	BMRI	-7.0
PSAB	+0.4	BRPT	-5.6

Source: Bloomberg

Our take:

Indonesia's macro data are relatively stable (fiscal/budget, current account, inflation, etc) compares to regional. Despite soft economic growth trajectory currently, we may see gradual improvement in the 2H25, driven by government spending, easing monetary policy and domestic consumption. We will use this opportunity to add position in companies with good fundamental/business model, resilient financial performance and attractive valuation.