

Indonesia Flow Radar - February 2025: Seeking shelter in liquid names (Erratum)

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Macro and Strategy

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We track stock ownership and fund flows in the Indonesia Flow Radar series to assess investors' stance on stocks and sectors (refer [here](#)).

Liquid names were favored as a safe haven in February

Our analysis suggests that local investors continue to seek shelter in liquid names. ANTM, GOTO, BBCA, and ASII (all rated Buy) experienced the most significant increase as a percentage of local investors' portfolios. Local AUM declined by IDR35tn in Feb 2025 to IDR278tn (-11% m-m), whereas foreign AUM declined by IDR133tn to IDR750tn (-15% m-m). The significant decline in AUM is attributable to increasing redemption driven by JCI's performance.

SOE banks (BBRI and BMRI, both rated Buy) and ISAT (Buy) recorded heavy outflows from investors, possibly driven by concerns over uncertainty in political communication and diminishing purchasing power.

Local investor positioning: FMCG remains top O/W

The top 5 additions from local investors were ANTM, GOTO, ASII, BBCA, and MAPI (Buy), totalling ~1.2% of their portfolios. In contrast, the top five deductions included BBRI, BMRI, ISAT and AADI (Buy), and BBNI (Buy), trimming about 2.8% of their portfolios. BBRI and BMRI, in particular, saw noticeably large drops in their weights by 1.3% and 0.7%, respectively.

By sector, local investors are **overweight** in FMCGs (+4.7% of index), telecommunication & tower (T&T) (+3.4%), coal (+2.5%), and auto (+1.8%). However, T&T and banks recorded a declining level of overweight. Local investors remain **underweight** in O&G, basic materials, and metals mining.

Foreign investor positioning

There has been a **significant decline in foreign AUM** (-133tn or -15% m-m). Foreign investors have also continued to sell off Indonesian stocks. Foreign investors were net sellers in February 2025 of around IDR16.2tn. The majority of this sell off, about IDR12.2tn, was directed at the "Big 4" banks. Foreign ownership in BBCA declined to 43.16bn shares by Feb 2025 (-1.0% m-m, -2.4% y-y). The trend was similar to that for other banks such as BBRI (-0.5% m-m, -17.6% y-y), BMRI (-2.6% m-m, -4.7% y-y), and BBNI (-0.4% m-m, -6.7% y-y).

From a flows perspective, our stance continues to be cautious due to lingering concerns about unpredictability in political communication, soft purchasing power, and imminent event risk. We prefer stocks with low foreign exposure, limited local overweight, and decent ADTV. Our top picks are INDF (Buy), KLBF (Buy), MIKA (Neutral), EXCL (Buy), and MEDC (Buy).

This note replaces a previously published version to correct the text on front page and Fig. 3. We regret any inconvenience this may have caused. ?

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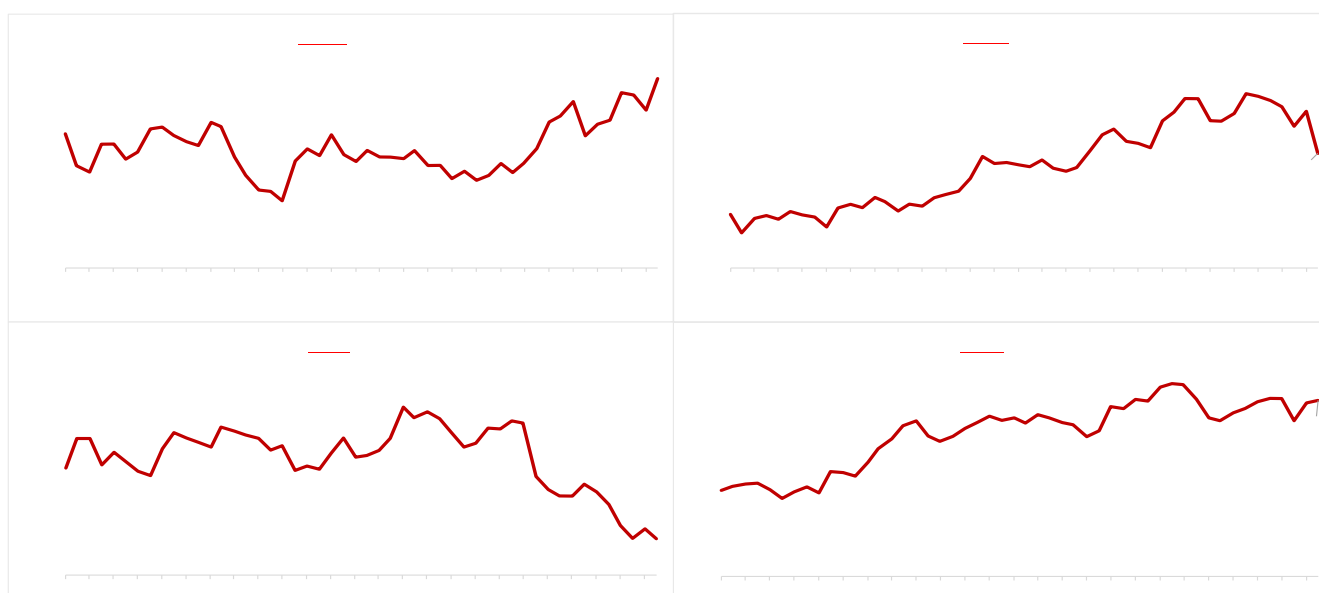
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Fig. 1: Top shelter picks

	Foreign/Local Ratio	Wgt in Foreign Portfolio	Local OW/(UW)	ADTV 6M (US\$mn)
INDF	1.9	1.04%	-0.02%	3.2
KLBF	1.3	1.21%	0.24%	5.0
MIKA	0.9	0.23%	-0.02%	3.3
EXCL	0.8	0.20%	0.24%	2.0
MEDC	0.8	0.16%	0.06%	3.3

Source: KSEI, Bloomberg Finance L.P., Verdhana research

Fig. 2: Foreign ownership in top 4 banks – BBCA weighting at record high, whereas BBRI and BMRI have shown gradual decreases since 2021



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A rating of 'Buy', indicates that the analyst expects the stock to outperform the Benchmark over the next 12 months. A rating of 'Neutral', indicates that the analyst expects the stock to perform in line with the Benchmark over the next 12 months. A rating of 'Reduce', indicates that the analyst expects the stock to underperform the Benchmark over the next 12 months. A rating of 'Suspended', indicates that the rating, target price, and estimates have been suspended temporarily to comply with applicable regulations and/or firm policies. Securities and/or companies that are labelled as 'Not Rated' or 'No Rating' are not in regular research coverage. Benchmark is Indonesia Composite Index ('IDX Composite'). A 'Target Price', if discussed, indicates the analyst's forecast for the share price with a 12-month time horizon, reflecting in part of the analyst's estimates for the company's earnings, and may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market in general.

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