

ANALISA SAHAM INDONESIA

2023: a year -end review for the Jakarta Composite Index (JCI)

Indonesia Stock Market 2023

The year 2023, the first year of the uplift of all COVID-19-related restriction measures, was reflected in the country's capital market activities.

Ending the year 2023 (12/29), the broadest Indonesia stock price index the JCI, closed at 7,273 points, to record an annual gain of 6.16% (2022:4.1%, 2021: 10.1%. 2020: -5.1%).

The JCI performance last year has been supported, to mention several, by (1) 79 new listings of stocks to bring the total listed companies to 903 as of the end of last year, (2) a 17.9% addition of retail investors to 12.3mn identities (2022:10.3mn), (3) improving macroeconomic data, especially from the domestic front.

Total stock market capitalization in 2023 rose by 22.9% annually to IDR11,674tr, or equivalent to USD756bn (2022: IDR9,499tr, 2021:IDR8,256tr, 2020:IDR6,970tr).

Sectorals' Performance

In 2023 (in Chart 1), factoring in uncertainties in the immediate and medium-term future, Indonesia has posted annual share price index gain of 6.16% (JCI), 3.56% (LQ45), -8.9% (JII), and -8.02% (JII70).

Indonesia's most inclusive stock prices index the JCI ranked 2nd after Vietnam in terms of price gains in the ASEAN-6 countries.

Chart 2 presents the sectoral performance last year, as packaged in various theme-based indices by the Indonesia Stock Exchange. Nonetheless, most reflect the dynamic and prospects of the country.

Indonesia's sound economy and social conditions have permitted positive trends in its capital market development (in Charts 3,4,5, and 6). Meanwhile, stronger-than-expected economic growth in the advanced economy of the United States (US) in the 3Q last year has sparked a reversing move in the government bond yield movement (in Charts 7 and 8).

Improvement in the Stock Market Capitalization Rate to 55.5%

Last year, total funds raised through stocks' public offers amounted to IDR54.1tr as compared IDR33.06tr in 2022, representing an annual high double-digit growth of 63.8%. Total funds raised in the Indonesia Stock Exchange last year were recorded at IDR126.97tr.

| Stock-Market Capitalization to GDP Ratios | Indonesia | | | | |
|---|-----------|----------|----------|----------|----------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| GDP value: current (IDRtr) | 15,832.5 | 15,434.2 | 16,970.8 | 19,558.4 | 21,051.1 |
| Stock-Market Capitalization (IDRtr) | 7,265.0 | 6,970.0 | 8,256.0 | 9,499.0 | 11,674.0 |
| JCI (pt) | 6,300 | 5,979 | 6,582 | 6,851 | 7,273 |
| Ratio (%) | 45.9 | 45.2 | 48.6 | 47.7 | 55.5 |

Source: Central Bureau Statistics, IDX, Analsia Saham Indonesia

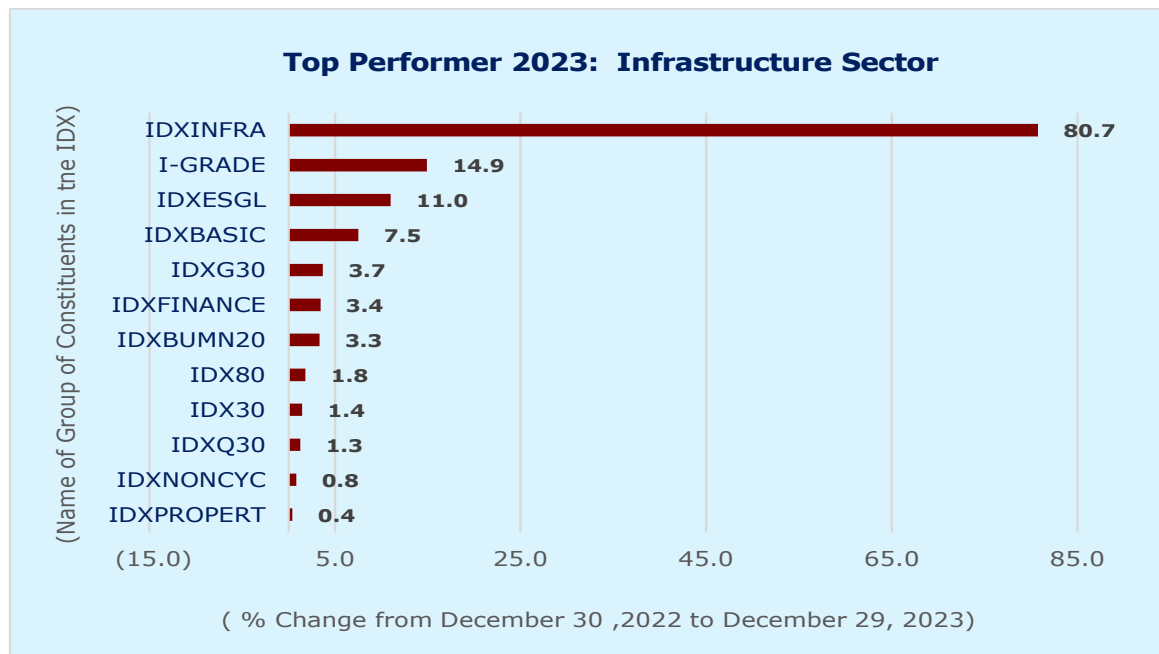
Contact Analyst: Dang Maulida

Chart 1: JCI , LQ45, JII, and JII70: 6.16%, 3.56%, -8.9%, and -8.02%, respectively



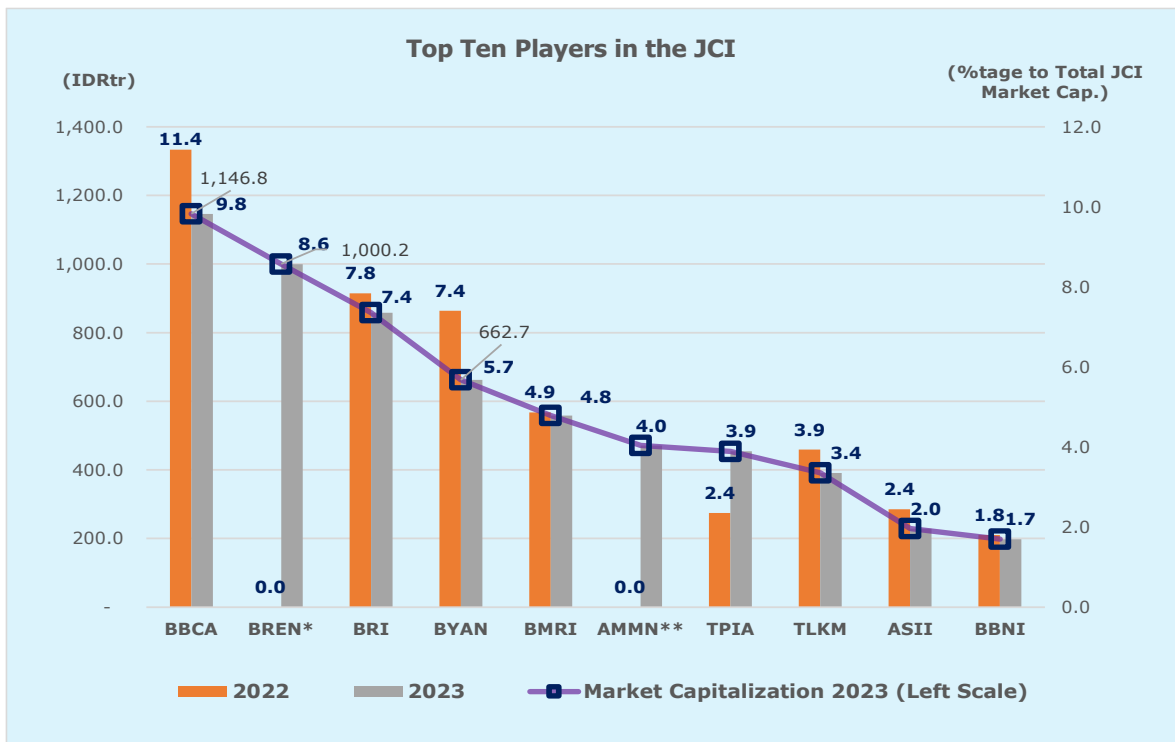
Source: IPOT, Analisa Saham Indonesia

Chart 2: Prospect of Lower Interest Rate is the Major Driver for the Infrastructure Sector



Source: IPOT, Analisa Saham Indonesia

Chart 3: Account for 51.2% of Total Capitalization in 2023 (vs. 44.9% in 2022)



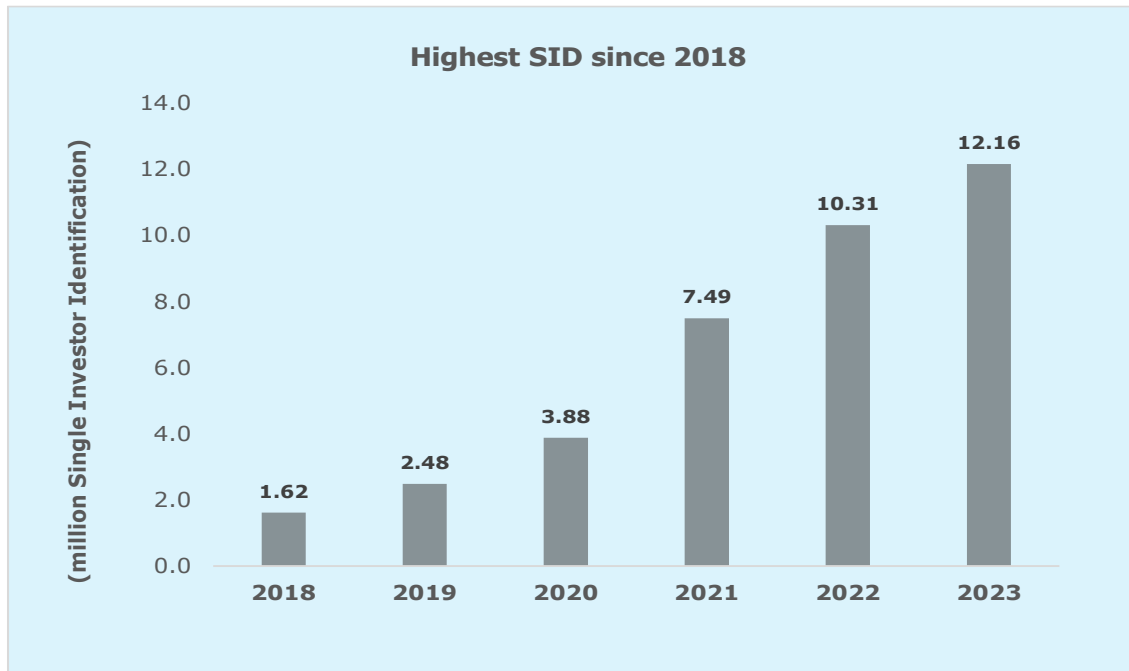
Source: IPOT, Analisa Saham Indonesia, * added October 2023, ** added July 2023

Chart 4: Driven by Good Economic Growth and Stable Social Environment



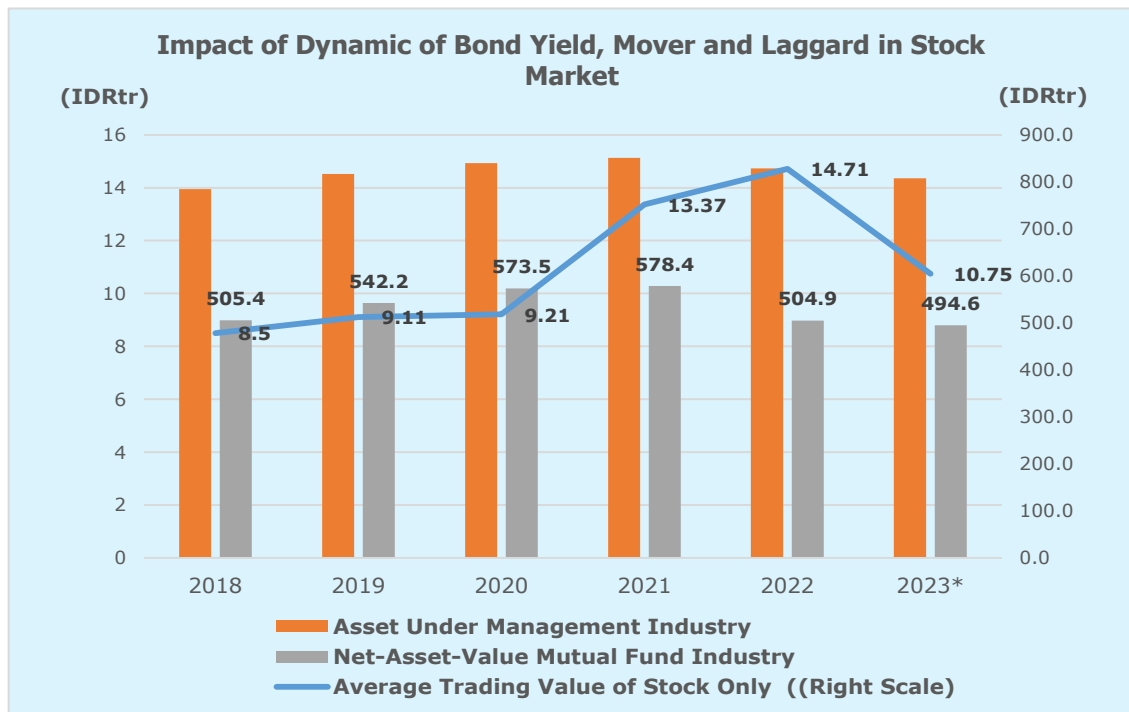
Source: Indonesia Stock Exchange, Analisa Saham Indonesia

Chart 5: Effort of Public Education and Socialization of Financial Literacy

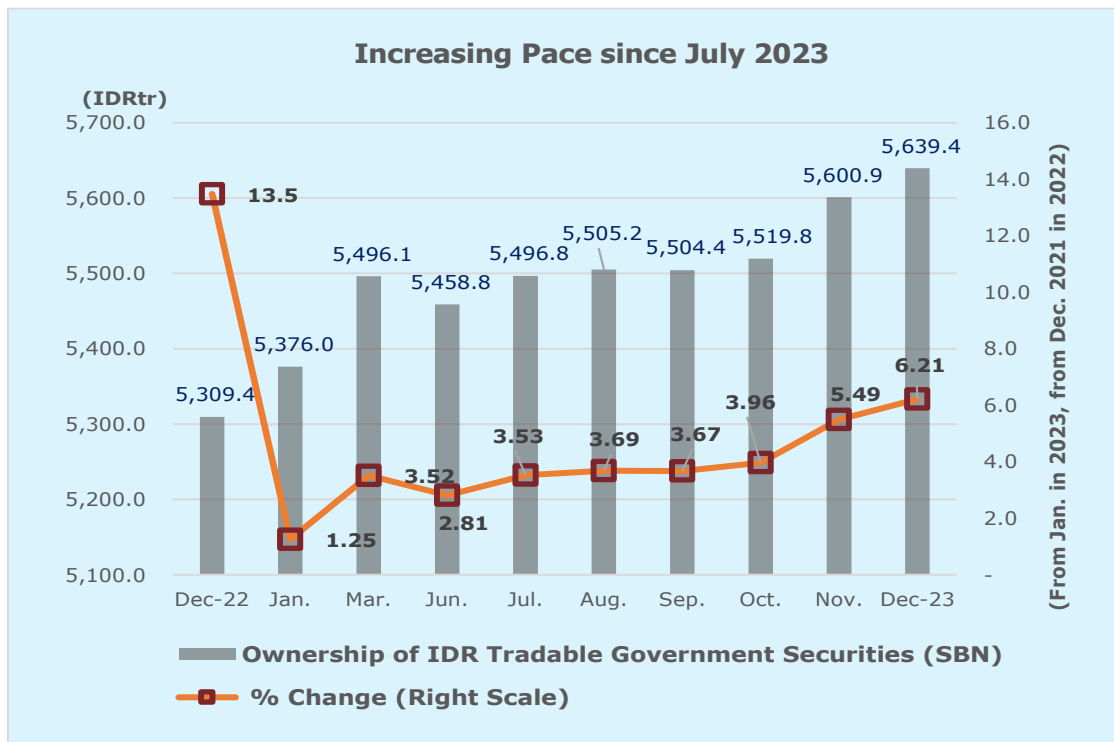


Source: Indonesia Stock Exchange, Analisa Saham Indonesia

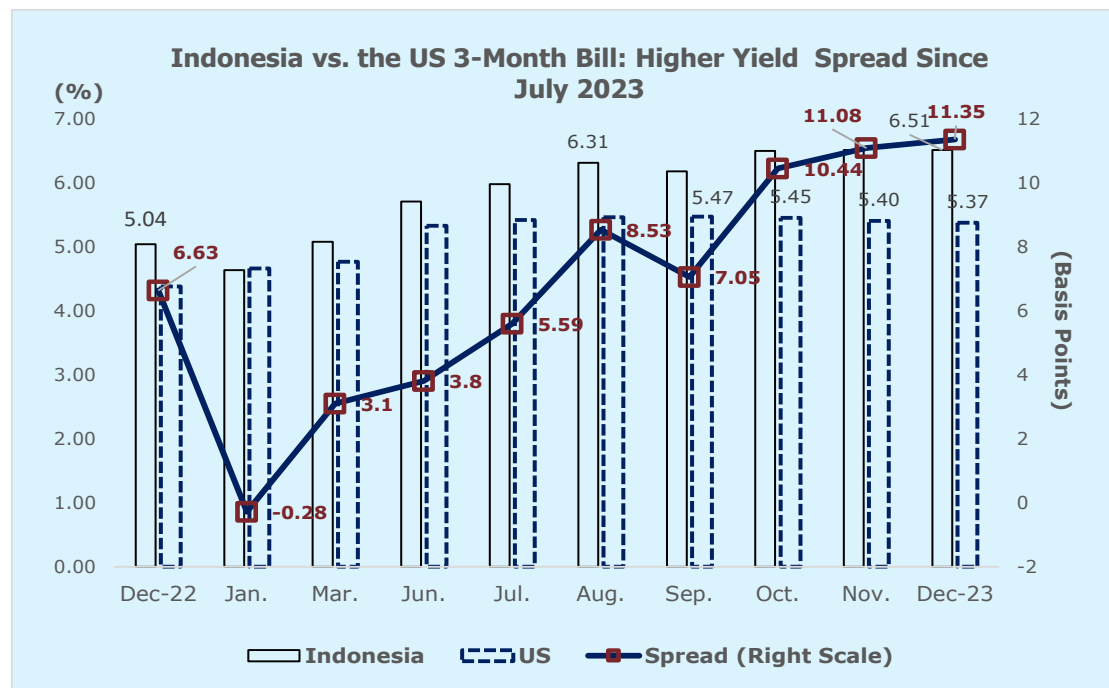
Chart 6: Stable Investment Management Industry Despite Yield Volatilities



Source: Financial Authority, Analisa Saham Indonesia, *as of December 22, 2023

Chart 7: Stable Domestic Inflation Rate Underpinned Higher Turnover


Source: Finance Ministry, Analisa Saham Indonesia

Chart 8: Stable Indonesia Short -Term Government Yield Shifted Funds to the Fixed Income


Source: worldgovernmentbonds.com, Analisa Saham Indonesia

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