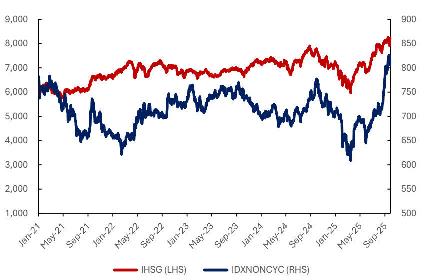
Overweight

Index (Oct 22nd, 25)	820
Number of companies	122
Market Cap	1,219.38 T
52w Lo/Hi	604 / 839
6 Months Changes	+28.71%
YTD Changes	+14.33%

Source : IDX | Phintraco Sekuritas Research | as of Oct 22nd, 2025

IHSG vs IDXNONCYC



Source : IDX

Stock	Fair Value	Potential Upside
INDF	9,650	+32.65%
ICBP	13,450	+45.01%
MYOR	2,850	+28.38%
JPFA	2,720	+13.81%
CPIN	5,700	+16.56%

as of Oct 21st, 2025

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Consumer Sector: F&B and Poultry

Government Stimulus Potentially Maintains People's Purchasing Power

Consumer confidence trend weakened in the past year. Since May 2025, the CCI has decreased and is below the 120 level, indicating that public confidence in economic conditions has weakened. As of September 2025, the CCI was recorded at level 115.0, a decrease from level 117.2 in August 2025, and became the lowest level since April 2022. This condition indicates that consumers are starting to be more cautious in their consumption, especially for non-basic needs products. We assess that the cautious attitude of consumers is aligned with the high global uncertainty and the change in domestic leadership, which requires short-term adjustments.

Domestic inflation increased in September 2025. Domestic inflation increased to 2.65% YoY in September 2025. This condition indicates that prices of goods and services tend to increase, but remain controlled. In September 2025, the food, beverage, and tobacco expenditure group experienced an inflation increase of 5.01% YoY, indicating price pressures on this group that can potentially reduce people's purchasing power, especially for the lower-middle class. However, the government has officially launched the economic stimulus package for 2025, which can potentially maintain people's purchasing power.

Raw material price movements tend to be mixed during 9M25. The average prices of CPO, cocoa, and coffee increased, while the average price of wheat decreased in 9M25. On a quarterly basis, several raw materials, such as cocoa and wheat, showed a decreasing trend, and coffee prices were relatively stable in 3Q25, so the profitability of F&B issuers can potentially recover in 2H25, although the recovery is relatively limited due to stronger CPO prices. We assess if the decrease in raw material prices can continue and is relatively stable in the future, then the profitability of F&B issuers can potentially be maintained and even increase. (Page. 4).

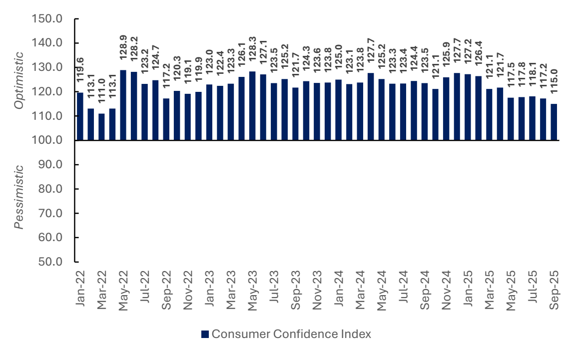
Live bird and DOC prices recovery continues until September 2025. The recovery in live bird and DOC prices is aligned with the culling program implemented by the government from early April to July 2025. As of September 2025, live birds prices increased by 22% MoM to IDR22,835/kg, marking a continued recovery since June 2025. Meanwhile, Day Old Chick (DOC) prices increased by 11.8% MoM to IDR6,639/bird. We assess that if the recovery in live birds and DOC prices continues, then the profitability of poultry issuers in both segments has the potential to increase.

Overweight Rating on the F&B and Poultry Sectors. With the various catalysts above, we maintain our overweight rating on the F&B and Poultry sectors. Our top picks are **INDF**, with an estimated fair value of IDR9,650, and **JPFA**, with an estimated fair value of IDR2,720.

Consumer confidence trend weakened in the past year

Based on data from Bank Indonesia, from January 2022 to September 2025, the Consumer Confidence Index (CCI) has remained in the optimistic zone or above the 100 level. This indicates that people have a positive perception of domestic economic conditions. However, the CCI has experienced a fluctuating pattern with a weakening trend, especially in the past year. From January 2023 to April 2025, the CCI tended to stay above the 120 level, indicating that public optimism about economic conditions was relatively maintained. However, since May 2025, the CCI has decreased and is below the 120 level, indicating that public confidence in economic conditions has weakened. As of September 2025, the CCI was recorded at level 115.0, a decrease from level 117.2 in August 2025, and became the lowest level since April 2022. Despite still being in the optimistic zone, the downtrend in CCI that continued in September 2025 indicates that consumers are starting to be more cautious in their consumption, especially for non-basic needs products. We assess that the cautious attitude of consumers is aligned with the high global uncertainty and the change in domestic leadership, which requires short-term adjustments.

Figure 1. Consumer Confidence Index



Source : BI | Phintraco Sekuritas Research

Domestic inflation increased in September 2025

Based on data from the Central Statistics Agency (BPS), domestic inflation increased to 2.65% YoY in September 2025. This condition indicates that prices of goods and services tend to increase, but remain controlled. In September 2025, the food, beverage, and tobacco expenditure group experienced an inflation increase of 5.01% YoY, indicating price pressures on this group that can potentially reduce people's purchasing power, especially for the lower-middle class. Price increases in the basic necessities group, such as food, can increase people's living costs, therefore reducing consumption of non-food goods and services. However, the government has officially launched the economic stimulus package for 2025, which includes one of the programs to continue food assistance by distributing 10 kg of rice in October and November, with a budget of IDR7 trillion. We assess that this program can potentially maintain people's purchasing power, therefore boosting economic growth.

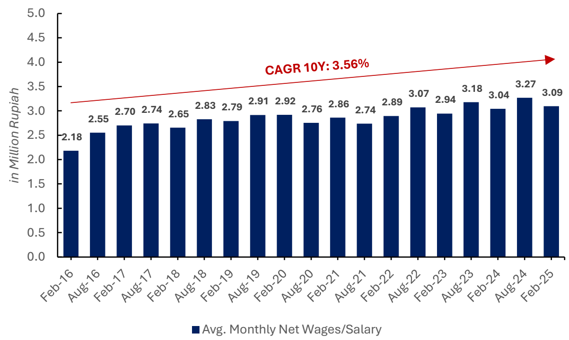
Figure 2. Inflation Rate (YoY)

Source : BPS | Phintraco Sekuritas Research

The average monthly wages are experiencing a moderate increase trend

Based on data from the Central Bureau of Statistics (BPS), the average monthly wages of workers in Indonesia has experienced a moderate and consistent increase with a CAGR of 3.56% in the last decade. The most significant increase in wages occurred in the 2021-2023 period, in line with the economic recovery after the Covid-19 pandemic and the return of normal public mobility. As of February 2025, the average wages of workers in Indonesia stood at IDR3.09 million/month, a limited growth of 1.8% YoY compared to February 2024, which stood at IDR3.04 million/month. Despite the positive long-term trend, wage growth in the past year has slowed down, indicating an adjustment on the part of wage-earners or corporations as global economic uncertainty remains high. If compared to the inflation rate, the increase in wages is still lower than the inflation rate, which stood at 2.65% YoY in September 2025. This condition has the potential to make the recovery of people's purchasing power tend to be limited, so that the government's role in maintaining people's purchasing power is needed. With the stimulus package policies from the government at the end of 2025, such as food assistance, internship programs with pocket money, expansion of Income Tax 21 covered by the government, and plans to reduce VAT, potentially boost people's purchasing power, especially for the lower middle class.

Figure 3. Avg. Monthly Wages

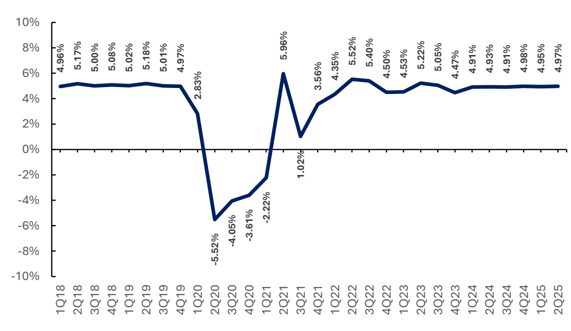


Source : BPS | Phintraco Sekuritas Research

Household consumption relatively stable at around 4.9% YoY

Based on data from the Central Bureau of Statistics (BPS), household consumption grew steadily at around 5% YoY in the 2018-2019 period, reflecting relatively strong economic conditions. However, household consumption started to experience pressure from 2020 to early 2021 and experienced a sharp contraction to -5.52% YoY in 2Q20. This condition aligns with the Covid-19 pandemic, which limits people's social activities. In 2Q21, household consumption started to gradually recover along with the relaxation of economic activity after the Covid-19 pandemic. Entering the 2024 to 2Q25 period, household consumption growth is relatively stable at around 4.9% YoY, indicating that people's purchasing power is relatively maintained but has not yet fully recovered to the pre-pandemic level. This condition showed that people tend to be more cautious in spending their money in the last 2 years. As of 2Q25, household consumption grew 4.97% YoY, better than the previous quarter. Going forward, we estimate that household consumption can potentially be maintained at around 4.9% YoY, aligned with the government's efforts to maintain purchasing power.

Figure 4. Household Consumption Spending (YoY)

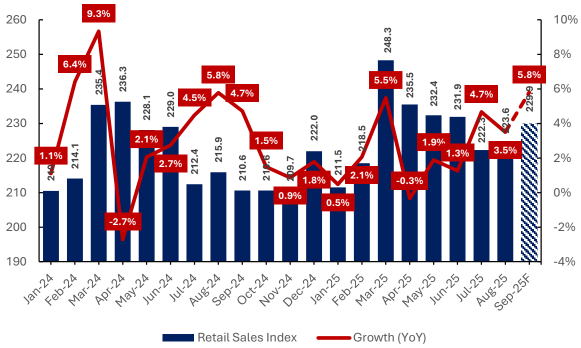


Source : BPS | Phintraco Sekuritas Research

Retail sales relatively solid until August 2025

Based on data from Bank Indonesia, retail sales experienced a fluctuation with a positive growth rate. In 2025, retail sales experienced a significant increase of 5.5% YoY to 248.3 in March 2025. This increase was aligned with the seasonal increase in public consumption during the Ramadhan period and towards Eid al-Fitr. After the Ramadhan and Eid al-Fitr periods, the growth rate of retail sales remained solid, despite experiencing a contraction of 0.3% YoY in April 2025 due to the normalization of public consumption. As of August 2025, retail sales grew 3.5% YoY to 223.6. Despite lower than the 4.7% YoY growth in July 2025, on a monthly basis, the realization grew 0.6% MoM, indicating a recovery towards the end of the year. Going forward, Bank Indonesia estimated retail sales to grow 5.8% YoY to 222.9 in September 2025, with an estimated increase in growth coming from the food, beverage, and tobacco group. We assess that this estimate can potentially boost the performance of F&B and Poultry issuers towards the end of the year.

Figure 5. Retail Sales Index

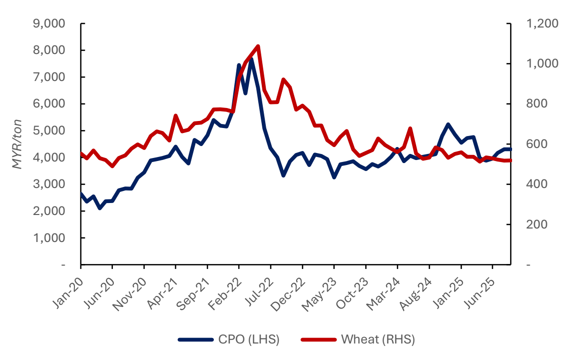


Source : BI | Phintraco Sekuritas Research

Raw material price movements tend to be mixed

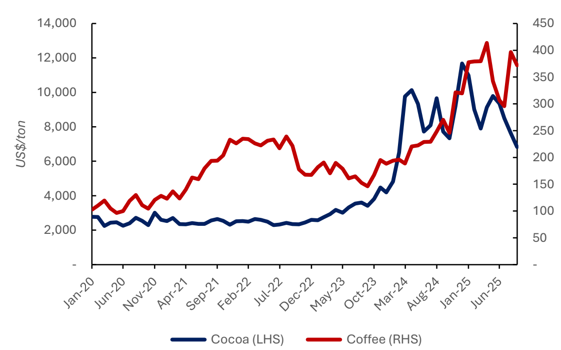
Raw material price movements tend to be mixed during 9M25. The average price of wheat decreased by 8.2% YoY to US$530/Bu in 9M25. This decrease was aligned with the abundance of global wheat supply amidst relatively stable demand. The average price of Crude Palm Oil (CPO) increased by 6.5% YoY to MYR4,294/ton in 9M25, in line with strong demand from major importers such as India and China. The average price of cocoa increased by 7.3% YoY to US$8,793/ton in 9M25, aligned with improving weather conditions in West Africa as the world's top cocoa producer, easing global supply concerns of cocoa. The average price of coffee increased 63.3% YoY to US$363/Lbs, aligned with prolonged dry weather in Brazil as the world's top coffee producer, triggering global supply concerns. The increase in the average price of some of these raw materials has the potential to reduce the profitability of F&B issuers. However, on a quarterly basis, several raw materials, such as cocoa and wheat, showed a decreasing trend, and coffee prices were relatively stable in 3Q25, so the profitability of F&B issuers can potentially recover in 2H25, although the recovery is expected to be relatively limited due to stronger CPO prices. We assess if the decrease in raw material prices can continue and is relatively stable in the future, then the profitability of F&B issuers can potentially be maintained and even increase.

Figure 6. Monthly CPO & Wheat Prices



Source : Bloomberg | Phintraco Sekuritas Research

Figure 7. Monthly Cocoa & Coffee Prices

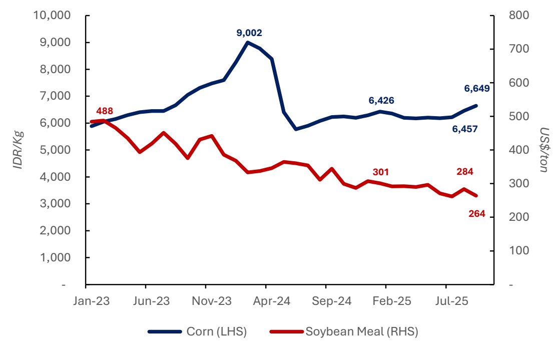


Source : Bloomberg | Phintraco Sekuritas Research

Domestic corn and SBM price movements tend to be mixed

Based on data from the National Food Agency, the average price of domestic corn decreased by 12.3% YoY to IDR6,320/Kg in 9M25. This decrease was aligned with higher corn production compared to the previous year. On a monthly basis, the corn price increased by 3% MoM to IDR6,649/Kg in September 2025. This increase was aligned with the decrease in corn production since June 2025 due to erratic weather in major corn-producing regions such as East Java, Central Java, and South Sulawesi. Meanwhile, the average price of Soybean Meal (SBM) decreased by 18.2% YoY to US$284/ton. This decrease was aligned with the abundant global soybean supply, especially in major producing regions such as Brazil and Argentina, which caused soybean prices to decrease. On a monthly basis, SBM prices decreased by 6.8% MoM to US$264/ton. We assess that if both animal feed raw material prices tend to stabilize in the future, it can potentially maintain or even increase the profitability of the animal feed segment of poultry issuers.

Figure 8. Monthly Corn & SBM Prices

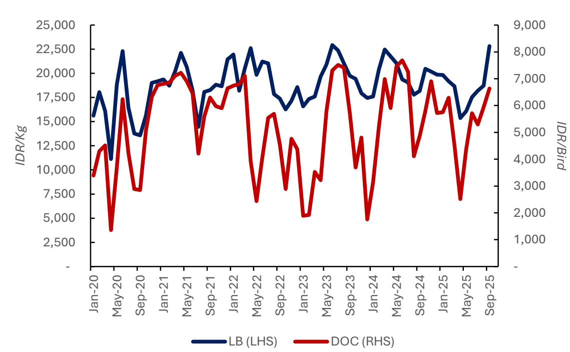


Source : BAPANAS, Bloomberg | Phintraco Sekuritas Research

Live bird and DOC prices recovery continues until September 2025

The prices of live birds and Day Old Chick (DOC) have been recovering in the last few months after being under pressure in April 2025. The pressure on live bird and DOC prices in April 2025 was aligned with the abundant supply of live birds after Eid al-Fitr and the surge in DOC production that caused oversupply. In an effort to stabilize the price of live birds and DOC, the government, through the Ministry of Agriculture, implemented a culling program for 55-week-old broilers, hatching eggs, and DOC from late April to July 2025. With this program, the prices of live birds and DOC have recovered. As of September 2025, live birds prices increased by 22% MoM to IDR22,835/kg, marking a continued recovery since June 2025. Meanwhile, Day Old Chick (DOC) prices increased by 11.8% MoM to IDR6,639/bird. We assess that if the recovery in live birds and DOC prices continues, then the profitability of poultry issuers in both segments has the potential to increase.

Figure 9. Monthly Live Bird & DOC Prices

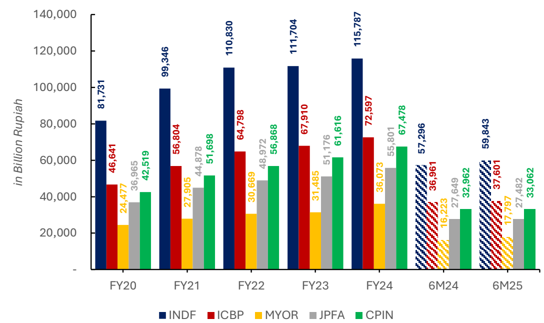


Source : JPFA | Phintraco Sekuritas Research

The performance of F&B and Poultry issuers in our coverage is relatively solid

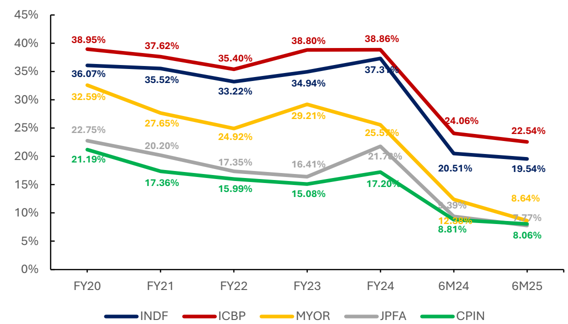
In terms of top line, the performance of F&B and Poultry issuers in our coverage tends to increase. As of 6M25, MYOR booked a revenue increase of 9.7% YoY, INDF booked a revenue increase of 4.4% YoY, ICBP booked a revenue increase of 1.7% YoY, and CPIN booked a limited revenue increase of 0.3% YoY. Meanwhile, JPFA booked a limited revenue decline of 0.6% YoY. This condition showed that the performance of F&B and Poultry issuers is still relatively solid, although the growth tends to be limited. In terms of profitability, F&B and Poultry issuers booked a decrease in operating profit margin in 6M25 compared to the same period last year. However, the decrease in operating profit margin is still moderate, indicating that F&B and Poultry issuers in our coverage are still relatively resilient to operating cost pressures. In addition, the decrease in operating profit margin of Poultry issuers was caused by the pressure on live bird and DOC prices in 2Q25. We assess that the positive trend in revenue performance of F&B and Poultry issuers in our coverage can potentially be maintained in the future, aligned with the government's efforts to maintain people's purchasing power. Meanwhile, we estimate that the operating profit margin of F&B and Poultry issuers in our coverage can potentially improve, aligned with the decrease in raw material prices and the recovery of live bird and DOC prices.

Figure 10. Revenue Performance



Source : Company | Phintraco Sekuritas Research

Figure 11. Net Profit Margin



Source : Company | Phintraco Sekuritas Research

Rating Overweight Sektor F&B and Poultry

With various catalysts such as government stimulus policy at the end of 2025, VAT reduction plan, solid retail sales, price of raw materials that are relatively decreased and stable, continued recovery of live bird and DOC prices, and performance of F&B and Poultry issuers in our coverage is still relatively solid, we maintain our overweight rating for the F&B and Poultry sector. We assess that various initiatives taken by the government to maintain and boost people's purchasing power can potentially drive the performance of F&B and Poultry issuers going forward. In addition, the recovery of live birds and DOC prices can potentially improve the performance of Poultry issuers, especially in these two business segments. Our top picks in the F&B and Poultry sectors are INDF with an estimated fair value of IDR9,650 and JPFA with an estimated fair value of IDR2,720.

Table 1. F&B and Poultry Issuers in Our Coverage

Code	Company	Market Price*	Fair Value	Potential Upside
INDF	PT Indofood Sukses Makmur Tbk	7,275	9,650	32.65%
ICBP	PT Indofood CBP Sukses Makmur Tbk	9,275	13,450	45.01%
MYOR	PT Mayora Indah Tbk	2,220	2,850	28.38%
JPFA	PT Japfa Comfeed Indonesia Tbk	2,390	2,720	13.81%
CPIN	PT Charoen Pokphand Indonesia Tbk	4,890	5,700	16.56%

*as of Closing Price October 21th, 2025

Source : Company | Phintraco Sekuritas Research

Financial Performance

(in Billion Rupiah)

Financial Performance		FY22	FY23	FY24	6M25	FY25F	FY26F
Revenue	INDF	110,830	111,704	115,787	59,843	122,260	129,160
	ICBP	64,798	67,910	72,597	37,601	77,838	83,502
	MYOR	30,669	31,485	36,073	17,797	39,707	43,904
	JPFA	48,972	51,176	55,801	27,482	60,345	65,377
	CPIN	56,868	61,616	67,478	33,062	73,517	80,139
Cost of Goods Sold	INDF	(74,016)	(72,678)	(72,582)	(38,464)	(76,267)	(79,933)
	ICBP	(41,858)	(41,562)	(44,388)	(23,812)	(47,584)	(51,068)
	MYOR	(23,027)	(22,287)	(26,848)	(13,500)	(29,133)	(32,185)
	JPFA	(40,477)	(42,777)	(43,645)	(21,734)	(46,543)	(49,895)
	CPIN	(47,776)	(52,322)	(55,869)	(27,782)	(61,377)	(66,715)
Gross Profit	INDF	36,814	39,025	43,205	21,380	45,993	49,227
	ICBP	22,940	26,348	28,210	13,789	30,254	32,434
	MYOR	7,643	9,198	9,225	4,297	10,574	11,720
	JPFA	8,495	8,399	12,156	5,747	13,802	15,482
	CPIN	9,091	9,294	11,609	5,279	12,140	13,425
EBIT	INDF	19,693	19,664	23,088	11,692	24,509	26,531
	ICBP	13,378	14,388	16,321	8,476	17,550	18,805
	MYOR	2,433	4,299	3,915	1,537	4,540	5,048
	JPFA	2,750	2,206	5,062	2,134	5,820	6,835
	CPIN	3,984	3,655	5,987	2,665	6,231	6,983
Net Profit	INDF	9,193	11,494	13,077	8,101	14,962	16,359
	ICBP	5,722	8,465	8,813	6,206	10,359	11,208
	MYOR	1,970	3,245	3,068	1,186	3,440	3,827
	JPFA	1,491	946	3,212	1,236	3,687	4,760
	CPIN	2,930	2,318	3,712	1,905	4,165	4,703

Source : Company | Phintraco Sekuritas Research

Financial Ratio

(Percentage)

Profitability Ratio		FY22	FY23	FY24	6M25	FY25F	FY26F
GPM	INDF	33.22%	34.94%	37.31%	35.73%	37.62%	38.11%
	ICBP	35.40%	38.80%	38.86%	36.67%	38.87%	38.84%
	MYOR	24.92%	29.21%	25.57%	24.15%	26.63%	26.69%
	JPFA	17.35%	16.41%	21.78%	20.91%	22.87%	23.68%
	CPIN	15.99%	15.08%	17.20%	15.97%	16.51%	16.75%
OPM	INDF	17.77%	17.60%	19.94%	19.54%	20.05%	20.54%
	ICBP	20.65%	21.19%	22.48%	22.54%	22.55%	22.52%
	MYOR	7.93%	13.66%	10.85%	8.64%	11.43%	11.50%
	JPFA	5.62%	4.31%	9.07%	7.77%	9.64%	10.45%
	CPIN	7.01%	5.93%	8.87%	8.06%	8.48%	8.71%
NPM	INDF	8.29%	10.29%	11.29%	13.54%	12.24%	12.67%
	ICBP	8.83%	12.47%	12.14%	16.50%	13.31%	13.42%
	MYOR	6.42%	10.31%	8.50%	6.66%	8.66%	8.72%
	JPFA	3.04%	1.85%	5.76%	4.96%	6.11%	7.28%
	CPIN	5.15%	3.76%	5.50%	5.76%	5.67%	5.87%
ROA	INDF	5.09%	6.16%	6.48%	3.87%	7.01%	7.29%
	ICBP	4.96%	7.10%	6.99%	4.70%	7.61%	7.66%
	MYOR	8.84%	13.59%	10.32%	3.92%	11.63%	11.55%
	JPFA	4.56%	2.77%	9.27%	3.75%	9.48%	12.74%
	CPIN	7.35%	5.66%	8.67%	4.35%	8.90%	9.31%
ROE	INDF	9.82%	11.44%	12.00%	7.19%	12.90%	13.28%
	ICBP	9.96%	13.63%	13.15%	8.93%	13.93%	13.63%
	MYOR	15.35%	21.23%	17.94%	7.01%	19.77%	19.40%
	JPFA	10.92%	6.68%	19.38%	7.98%	19.49%	21.73%
	CPIN	11.13%	8.58%	12.25%	5.98%	12.73%	13.25%

Source : Company | Phintraco Sekuritas Research

Glossarium

CAGR	: *Compound Annual Growth Rate*
DER	: *Debt to Equity Ratio*
DPR	: *Dividend Payout Ratio*
EBIT	: *Earning Before Interest & Tax*
GPM	: *Gross Profit Margin*
NPM	: *Net Profit Margin*
OPM	: *Operating Profit Margin*
ROA	: *Return on Asset*
ROE	: *Return on Equity*
US$/Bu	: *US Dollar per Bushel*
US$/Lbs	: *US Dollar per Pounds*

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Rating for Sectors :

Overweight : The sector is expected to do better than the market.

Equal Weight : The sector is expected to do an average performance compared to the market.

Underweight : The sector is expected to do worse than the market.

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Kantor Cabang & Mitra GI BEI