Mandiri Investasi Weekly Recap

27-31 October 2025

Market Summary:

Global Equity: Strong earnings from big tech companies and prospect of AI monetization spending drives US index performance. **S&P500 closed +0.71% WoW** while **Nasdaq closed +2.2% WoW**

Domestic Equity: Potential MSCI methodology change hit index heavyweight and dragged JCI **-1.3% WoW,** The large cap **LQ45 +0.42%** driven by strong earnings from large caps. Foreign inflow was +333 USD Mn

Domestic Bond Market: weakened to 6.01% (Prev: 5.99) as an effect of stronger dollar from Powell's speech.

Key News of The Week

Trump and Xi Jinping agreed on a 1-year truce on tariffs. The deal includes China promising to loosen rare earth exports and curb the flow of fentanyl to The US

The Federal Reserve cut interest rates to 3.75-4%, in line with expectations. However, the announcement from J. Powell alarmed market by stating another cut this year is "far from certain".

The Fed ended quantitative tightening measure in form of its balance sheet reduction.

JCI enters earnings season with a more upbeat view compared to 3Q, with large caps and consumer names giving in line or above-expectations results

MSCI announced a consultation on calculations of Indonesian stock free float methodology as part of its index weighting. This would be active on May 2025

Our View:

We view 3Q25 earnings season as potential inflection point for foreign flow to return to Indonesian equities. With an attractive valuation compared to regional peers and better growth prospect, there is room for foreign inflow into equities.

Nearing the end of the year, we expect to see social spending rollout from the government that will boost economic growth. However, we recommend holding 5-10% cash to manage volatility nearing near year-end profit taking.

Product Recommendation: RD MITRA, RD ASEAN5, RD MISB, RD MIDU, RD MIDSYA, RD MMUSD, RD IDAMAN

		Index Return (%)				
Global Equity	**Price**	**1W**	**QTD**	**YTD**	**1Y**	**3Y**
IHSG	**8163.88**	**-1.30**	**1.28**	**15.31**	**7.79**	**15.00**
IDX80	**127.613**	**0.17**	**3.98**	**5.96**	**-4.21**	**-10.75**
MSCI World	4390.42	0.44	1.94	18.41	20.38	72.33
Dow Jones	47562.9	0.75	2.51	11.80	13.89	45.31
NASDAQ Comp	23725	2.24	4.70	22.86	31.11	115.91
S&P 500	6840.2	0.71	2.27	16.30	19.89	76.66
Euro Stoxx 50	5662.04	-0.22	2.39	15.65	17.28	56.52
FTSE 100 (UK)	9717.25	0.74	3.92	18.89	19.82	36.97
Nikkei 225 (Japan	52411.3	6.31	16.64	31.37	34.11	89.98
Shanghai Compo	3954.79	0.11	1.85	17.99	20.58	36.68
MSCI Asia Pacific	228.55	1.08	3.60	25.83	22.82	67.83
MSCI ASEAN	750.2	0.19	1.05	10.09	8.39	23.98
KOSPI (Korea)	4107.5	4.21	19.94	71.18	60.69	79.08
Nifty (India)	25722.1	-0.28	4.51	8.79	6.27	42.80

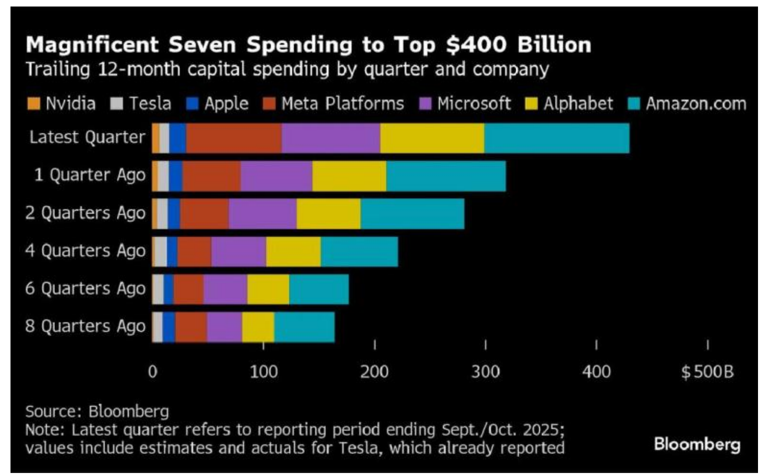
	Last Data		
Rates, Currencies, Commodities	**31/10/2025**	**24/10/2025**	**30/12/2024**
BBG Commodity Index	107.30	107.38	98.87
Brent Crude Oil	65.07	65.94	74.39
Thermal Coal	104.15	104.10	124.55
Gold	4,003	4,113	2,607
Nickel	15,226	15,361	15,415
CPO	4,207	4,422	4,133
DXY	99.80	98.95	108.13
USDIDR	16,630	16,595	16,135
IndoGB 10Y	6.08	5.99	7.02
UST 10Y	4.08	4.00	4.53

Economic Calendar

Monday	Tuesday
3 Nov: US ISM Manufacturing, Flash PMI, Indonesia PMI, Indonesia Inflation, Indonesia Trade Balance	
Wednesday	**Thursday**
5 Nov: Indonesia GDP, Indonesia FX Reserves	30 Oct: US 3Q GDP, US Jobless Claims
Friday	
7 Nov: US PMI	

* US Data still impacted by Government Shutdown

Chart of the Week



Commentary: This AI investment is one of the factor that enabled US's economic stability in 2025. This continued investment into AI turned investor to focus on the monetization of the AI investments as key driver of the US stock market.