



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	50906.1	(0.9)	(1.2)	(4.3)	5.9
S&P 500	7651.5	(0.3)	(0.7)	(0.5)	11.8
FTSE 100	10606.0	(0.3)	(0.9)	(1.7)	6.8
AS30	8969.2	0.9	0.1	(3.1)	(0.5)
CSI 300	4357.6	0.3	(4.1)	(4.4)	(5.9)
FSSTI	5675.9	(0.7)	(0.6)	(0.6)	22.2
HSCEI	8220.1	0.5	(0.6)	(2.7)	(7.8)
HSI	24613.3	0.4	(0.9)	(3.7)	(4.0)
JCI	6071.1	(0.8)	(4.8)	(8.0)	(29.8)
KLCI	1651.2	0.4	(1.5)	(2.9)	(1.7)
KOSPI	6838.0	(0.5)	(2.4)	0.0	62.3
Nikkei 225	66753.7	1.9	2.7	0.8	32.6
SET	1559.0	(2.2)	(3.2)	(1.9)	23.8
TWSE	47940.1	0.6	0.5	2.1	65.5
BDI	3113	(2.0)	(9.2)	(2.3)	65.8
CPO (RM/mt)	4443	(0.7)	(3.7)	(3.6)	13.0
Brent Crude (US\$/bbl)	98	1.9	(4.9)	8.3	61.1

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
New Economy Conference at The Ritz Carlton Hotel	Malaysia	07 Oct	07 Oct
NDR with Food Empire Holdings Ltd (FEH SP)	Malaysia	08 Oct	08 Oct
Small & Mid-Caps Corporate Day	Singapore	21 Oct	21 Oct

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- Our screen estimates Rp21.4t of potential supply across 26 banks, assuming selldowns. Issuers with over Rp5t market caps must reach 12.5% public float by Mar 27 and 15.0% by Mar 28; smaller issuers have until Mar 29. Weak valuations could delay execution. BRIS has proposed a rights issue; BNGA, BDMN and BNLI are assessing options. We advise waiting for BRIS’ final terms before increasing exposure, and assess other opportunities against pricing, profitability and dilution. Higher float alone does not justify buying.

Technical Analysis

Super Bank Indonesia | SUPA IJ

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- Trading Buy Range: We have a technical Buy at Rp496, and take profit at Rp525.

United Tractors | UNTR IJ

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- Trading Buy Range: We have a technical Buy at Rp27,000, and take profit at Rp28,500.

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

Strategy

Indonesia Banks: Free-Float Compliance Faces A Valuation Hurdle

Highlights

- **Rp21.4t of potential supply across 26 banks**, with 73% concentrated in five names. Shareholder reluctance to sell at weak valuations could delay execution. Large banks ($\geq$ Rp5t market cap) with less than 12.5% public float must hit 12.5% by 31 Mar 27, and 15.0% by 31 Mar 28. Small banks ($<$ Rp5t cap) have until 31 Mar 29.
- **BRIS' proposed rights issue puts public demand in focus.** The bank plans to issue up to 6.8b shares, implying 12.85% of ownership dilution for non-participating shareholders. The final size, pricing and major shareholders' participation remain undisclosed.
- **Be selective: Buy the deal, not the deadline.** BNGA faces a pricing hurdle, BDMN's integration could alter its float requirement, and BNLI has yet to disclose a preferred route.

What's New

- **Free-float deadline looms, but weak valuations could delay execution.** Our screen shows 26 banks below 15% free float. Reaching 15% by shareholder sell-down would need Rp21.4t of shares (closing prices, 28 Sep 26). This is a sizing exercise, not a placement forecast. Most of these banks do not need new equity, and their controlling shareholders have no reason to sell large blocks into a weak market. We expect bank-by-bank outcomes, not a simultaneous wave of sales. Investors will wait for terms, so the overhang caps the shares until deals are announced
- **The deadline creates an incentive for negotiations, not an immediate sale.** Banks in the Rp5t+ market cap group with float below 12.5% at the reference date must reach 12.5% by 31 Mar 27 and 15% by 31 Mar 28. Issuers below Rp5t have until 31 Mar 29. We believe major shareholders are using the time available to seek better valuations, assess the cost of non-compliance, and discuss possible routes to compliance with the regulator. This could push transactions closer to the deadlines, particularly if market conditions remain weak. Bank Syariah Indonesia (BRIS) has formally proposed a rights issue, while Bank CIMB Niaga (BNGA) continues to assess its options. Bank Danamon's (BDMN) approach may be shaped by the potential integration with MUFG Jakarta, and Bank Permata (BNLI) says it is working toward compliance but has not disclosed a preferred route.
- **BRIS: The first live test and execution risk sits with public demand.** BRIS' disclosure confirms its proposed rights issue route, with up to 6.8b new shares and completion targeted for 1Q27, subject to shareholder approval at the 6 Nov 26 shareholder meeting. All net proceeds will support financing growth. Based on our calculation, the maximum issuance is approximately 2.2x the 3.08b new shares required to raise eligible float from 9.33% to exactly 15%, assuming all new shares enter eligible public ownership. Full issuance of 6.8b under that assumption would lift float to approximately 20.98% and dilute non-participating shareholders' ownership by 12.85%.
- BRIS projects capital increasing from Rp51.1t in 2026 to Rp64.4t in 2027, (according to its rights issue disclosure), moving it closer to KBMI 4, with CAR increasing from 20.38% to 23.31%. Using Bloomberg consensus adjusted profit estimates and assuming a 20% payout of 2026 profit, paid in 2027, our simplified capital bridge suggests net fundraising of approximately Rp5.25t, before allowing for other regulatory-capital movements. This is our illustrative estimate; BRIS has not disclosed a fundraising target, final issuance size or subscription price. Our earlier management discussion suggested that the three major shareholders could waive fully or partially their subscription rights, although this has yet to be formally confirmed.
- Our illustrative Rp5.25t fundraising estimate is equivalent to approximately 8.0% of BRIS' market capitalisation and 85.9% of its existing eligible free-float market value (total market cap: Rp65.5t). If the major shareholders do

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BRIS' Rights Issue Information

Item	BRIS rights-issue information
Announcement date	30-Sep-26
Proposed transaction	Rights issue / PMHMETD II
Maximum new shares	6.8b Series B shares ; final issuance may be smaller
Nominal value	Rp500/share; subscription price remains undisclosed
Shareholder approval	EGM scheduled for 6 Nov 2026
Target completion	1Q27 , subject to approvals
Use of proceeds	All net proceeds to support financing growth
Projected capital	Rp51.07t in 2026 → Rp64.41t in 2027
Projected CAR	20.38% → 23.31%
Maximum ownership dilution	12.85% for shareholders who do not subscribe
Major shareholders' participation	Undisclosed; our management discussion suggested potential waiver by all three major shareholders
Other outstanding terms	Final issuance size, subscription price, subscription ratio and standby-buyer arrangements

Source: BRIS

BRIS' Estimated Fund-raising (Illustrative Numbers)

Capital bridge-implied fundraising (Rpt)	
2026 projected capital	51.07
2027 projected capital	64.41
Projected capital increase	13.34
2027 adjusted profit	9.8
2026 adjusted profit	8.6
Dividend payout ratio (%)	20
Dividends paid in 2027	1.7
2027 retained profit	8.1
Other capital movements	n.a.
Implied net proceeds required	5.25

*Net profits and DPR assumptions are using Bloomberg estimates, real numbers might differ

Source: BRIS, UOB Kay Hian,

Changes to BRIS' Number of Shares

Existing total shares (b)	46.1
Current free float (%)	9.33
Current free-float shares (b)	4.3
Target free float (%)	15.00
Min public-only new issuance (b)	3.1
Announced max/ min (x)	2.21
Post-issue total shares (b)	52.9
Eligible public share of new issuance (%)	100
Post-issue eligible public float (%)	20.98
Non-participating ownership dilution (%)	12.85

Source: BRIS, UOB Kay Hian

not fully participate or just partially participate, execution would depend on demand from existing public shareholders, new investors and any standby buyers. The larger potential public allocation could improve liquidity, but uncertainty over pricing and subscription commitments will weigh on the shares. We would not recommend increasing exposure before that.

- **BNGA: A 0.7-0.8x P/B makes a discounted block sale unattractive to the controller.** Float is about 7.5%, and a sell-down to 15% needs about 1.89b shares. At 0.7-0.8x P/B, a block that size likely needs a further discount. With a 22.4% CET 1 ratio, there is no capital case for a rights issue. Based on our meeting, we understand that management has no intention of taking BNGA private. We expect valuation and demand to set timing, with a staged sell-down being the most likely route.
- **BDMN: Requirement is a moving target.** BDMN's planned integration with MUFG Jakarta could affect public ownership through both the transaction structure and dissenting-shareholder purchases. Dissenting shareholder purchases under POJK 41/2019 Article 52 could cut public float, and new shares issued to MUFG would dilute it. The integration structure and the sequencing of corporate actions will set the final number. In our recent meeting, BDMN indicated that it is assessing potential compliance routes, but has yet to disclose a preferred approach.

Actions

- **Be selective: Buy the deal, not the deadlines.** Our Rp21.4t potential supply estimate is not a placement forecast. Around 73% is concentrated in five banks, making investor demand and pricing important to execution. Controlling shareholders may delay sales rather than accept unattractive prices. Investment outcomes will depend on ROE, the size of potential supply relative to market capitalisation, and transaction structure. Of the four banks we met, BRIS is the only one with a formally proposed compliance route. Hold off on new purchases until the issue price, public allocation and subscription commitments are disclosed, particularly if major shareholders waive their rights. BDMN's float requirement will depend on the MUFG integration structure; BNGA needs a price acceptable to its controller, and BNLI has yet to disclose its preferred route. The accompanying tables provide current floats, potential supply and valuations to help investors assess other opportunities.

Banks With Free Float <15%

Ticker	KBMI	Current float	Potential Supply value (Rpt)
BNGA	KBMI 3	7.50%	3.26
BDMN	KBMI 3	7.54%	3.11
BTPN	KBMI 3	7.87%	1.79
BRIS	KBMI 3	9.33%	3.95
BNLI	KBMI 3	9.97%	3.60
BNII	KBMI 3	11.18%	0.54
PNBN	KBMI 3	11.85%	0.64
NISP	KBMI 3	13.96%	0.30
SDRA	KBMI 2	8.29%	0.20
BMAS	KBMI 2	10.52%	0.39
SUPA	KBMI 2	11.87%	0.45
BBHI	KBMI 2	13.02%	0.34
MCOR	KBMI 2	14.62%	0.01
BKSW	KBMI 1	6.67%	0.13
NOBU	KBMI 1	7.34%	0.30
DNAR	KBMI 1	7.53%	0.15
AGRS	KBMI 1	7.55%	0.20
PNBS	KBMI 1	7.60%	0.12
AMAR	KBMI 1	7.67%	0.30
BSWD	KBMI 1	7.68%	0.50
BNBA	KBMI 1	8.21%	0.19
MASB	KBMI 1	8.75%	0.29
BBMD	KBMI 1	9.07%	0.48
BABP	KBMI 1	12.76%	0.04
AGRO	KBMI 1	12.94%	0.07
BCIC	KBMI 1	13.74%	0.03

*Calculation based on closing price on 28 Sep, illustrative numbers, not real placements

Source: Bloomberg, respective companies, UOB Kay Hian

Stock Comparison

Ticker	Market Cap (Rpt)	% Supply value to market cap	NIM (%)	CET 1 (%)	ROE (%)	P/E (x)	P/B (x)	His Div. yield (%)
BNGA	43.06	7.58%	3.80	22.38	12.50	6.31	0.77	9.41
BDMN	41.73	7.46%	6.36	21.23	8.89	9.21	0.80	3.20
BTPN	25.12	7.13%	6.34	27.37	1.88	58.53	0.52	0.40
BRIS	69.66	5.67%	4.64	19.35	16.15	8.21	1.28	2.31
BNLI	71.64	5.03%	3.15	24.75	8.25	18.53	1.50	1.87
BNII	14.09	3.86%	3.37	23.15	5.69	8.09	0.46	4.03
PNBN	20.23	3.15%	3.18	34.95	5.14	7.44	0.38	4.97
NISP	28.42	1.05%	2.94	21.94	12.22	5.49	0.65	3.60
SDRA	3.01	6.61%	2.85	30.87	(4.41)	n.a.	0.27	n.a.
BMAS	8.61	4.50%	2.96	47.07	0.20	666.61	1.34	n.a.
SUPA	16.47	2.75%	7.40	73.38	3.42	45.1	2.04	n.a.
BBHI	17.17	1.98%	6.98	65.46	7.95	31.08	2.46	1.59
MCOR	2.46	0.38%	2.35	27.46	4.24	n.a.	0.35	n.a.
BKSW	1.61	8.37%	2.46	52.69	(0.62)	n.a.	0.37	n.a.
NOBU	3.91	7.68%	2.94	21.89	14.07	6.37	0.84	n.a.
DNAR	2.01	7.55%	5.04	40.35	5.86	9.24	0.53	n.a.
AGRS	2.63	7.45%	2.89	31.97	3.76	12.91	0.48	n.a.
PNBS	1.67	7.40%	2.17	16.39	2.53	21.31	0.53	n.a.
AMAR	4.15	7.18%	19.44	88.73	8.08	14.61	1.17	5.16
BSWD	6.84	7.32%	3.35	85.95	1.98	152.41	2.98	n.a.
BNBA	2.86	6.79%	4.35	70.73	0.57	155.79	0.88	n.a.
MASB	4.60	6.25%	2.42	22.57	5.24	21.59	1.12	n.a.
BBMD	8.16	5.84%	4.82	46.38	5.64	27.58	1.55	1.09
BABP	1.91	2.24%	2.40	20.13	2.19	17.38	0.38	n.a.
AGRO	3.32	2.05%	3.96	39.86	(16.19)	n.a.	1.13	n.a.
BCIC	2.37	1.26%	1.98	13.31	(11.71)	n.a.	0.61	n.a.
Average			4.56	34.40	4.77	51.34	0.98	4.90

*Using closing price on 28 Sep 2026, illustrative numbers, not real placements

Source: Bloomberg, UOB Kay Hian

Technical Analysis



Source: Tradingview



Source: Tradingview

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Super Bank Indonesia SUPA IJ

Technical BUY with 6% potential return

Resistance:	Rp510, Rp525
Support:	Rp464, Rp452
Stop-loss:	Rp478

Share price closed slightly higher and formed a neutral candlestick. Price advanced with better momentum; hence, we expect price to make more rallies and challenge the resistance at Rp510 and Rp525. Technical indicator RSI is sloping upwards and approaching its midline, while the MACD has just given a bullish signal. Buy at Rp496 and take profit at Rp525.

Approximate timeframe: 2-4 weeks.

United Tractors UNTR IJ

Technical BUY with 5.5% potential return

Resistance:	Rp27,650, Rp28,500
Support:	Rp26,000, Rp24,900
Stop-loss:	Rp25,975

Share price closed significantly higher and formed a long-body bullish candlestick. Price advanced with better momentum and higher trading volume; hence, we expect to see more bullish pressure and price could challenge the resistance at Rp27,650 and Rp28,500. Technical indicator RSI is sloping upwards and back above its midline, while the MACD has just formed a bullish signal. Buy at Rp27,000 and take profit at Rp28,500.

Approximate timeframe: 2-4 weeks.

Our institutional research has a fundamental BUY and target price of Rp27,500.

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