



## Monthly Sector Report (Feb '26)

On this occasion, we will present the latest information from three interrelated strategic sectors, namely Mining, Heavy Equipment, and Used Cars. These three sectors play a vital role in driving economic activity, from the exploration and production of natural resources, operational support through the use of heavy equipment, to the dynamics of the used vehicle market, which also reflects the purchasing power and needs of industries and individuals. Through this information, we hope that readers will gain a comprehensive overview of the developments, opportunities, and challenges in each of these sectors.

### A. Mining Industry

Mining companies are business entities engaged in the exploration, mining, processing, and marketing of natural resources contained within the earth, such as coal, nickel, gold, tin, and other minerals. In Indonesia, this sector plays an important role in the national economy because it contributes to state revenue, job creation, and the development of infrastructure and downstream industries. In their operations, mining companies are also required to implement occupational safety, environmental protection, and social responsibility principles to ensure business sustainability and balance with the surrounding community.

#### **Private Power Plant Coal Stocks Critical Due to 2026 RKAB Adjustments and Evaluation of mining permits for mining companies in order to adjust the 2026 work plan.**

The government has confirmed that it is conducting a comprehensive overhaul of the approval process for the Work Plan and Budget (RKAB) for the mineral and coal mining sector (minerba) in 2026. This step aims to balance supply and market demand in order to maintain commodity price stability. In addition, the 2026 RKAB aims to prevent oversupply due to excessive exploitation and production.





- **Private Power Plant Coal Stocks Critical Due to 2026 RKAB Adjustments:**

Executive Director of APBI (Indonesian Coal Mining Association) Gita Mahyarani said that the company's operational challenges have increased due to limited production permits. Coal stocks at a number of steam power plants (PLTU) are said to be at critical levels following the failure to issue approval for the 2026 mine work plan and budget (RKAB) and plans to cut coal production.

The Indonesian Private Electricity Producers Association (APLSI) revealed that currently, coal availability at a number of privately-owned PLTU is below 10 days of operation (HOP). Ideally, coal stocks for these power plants should be at a minimum of 25 days of operation. If this condition persists, suppliers may stop delivering coal to independent power producers (IPPs) or private electricity producers.

- **Evaluation of mining permits for mining companies in order to adjust the 2026 work plan:**

The West Java Provincial Government is conducting a comprehensive evaluation of dozens of Mining Business Permits (IUP) in the Parung Panjang, Cigudeg, and Rumpin areas of Bogor Regency. West Java Regional Secretary Herman Suryatman said that the IUPs in the Parung Panjang area of Bogor, which are currently under temporary suspension, are still under evaluation.

Specifically for the evaluation of Parung Panjang, it is currently being finalized by the Technical Implementation Unit (UPT), the Bandung Institute of Technology (ITB), and the Bogor Agricultural University (IPB), and the governor will make a decision based on the data. Those without permits must clearly be suspended. Those without permits must be suspended.

There are 47 operational IUPs and 29 IUPs that are not yet operational. The West Java Provincial Government wants mining management to be carried out in accordance with laws and regulations, such as post-mining programs and whether or not Corporate Social Responsibility (CSR) funds are budgeted.

Dedi Mulyadi (West Java governor) believes that mining activities in the region must directly benefit the welfare of the surrounding community. According to him, the policy to regulate mining was made after extensive studies, ranging from community safety to environmental sustainability.



**Lingga Ary Chaffi**  
(Credit Analyst)

The mining industry will face a challenging transition phase. Companies must adapt to stricter production quotas. If this situation persists, it will cause company revenues to decline, thereby affecting cash flow, which in turn will impact the company's ability to repay loans. Therefore, in the future, analyzing companies engaged in mining will require a conservative assessment that takes into account government policy issues, business production, legality, CSR, and collateral.



## B. Heavy Equipment



The relationship between mining companies and heavy equipment is very close because the entire mining operational process is highly dependent on the use of heavy equipment to improve work efficiency and productivity. In mining activities, heavy equipment such as excavators, bulldozers, dump trucks, and wheel loaders used to remove overburden, excavate and load mining materials, and transport mining products to processing sites or ports.

Among our customers' various business lines, the heavy equipment sector is one of our main corporate product sectors. Throughout 2026, this business field showed various dynamics with significant developments that are worth noting. Here is a summary of the latest insights and updates from the relevant sector.

### Early 2026 Sales Outlook

Quoted from KONTAN (January 14, 2026), total heavy equipment demand in 2026 is projected to increase moderately by around 5% to 10% compared to 2025, or around 23,000 to 25,000 units. PAABI estimates the total value of the Indonesian heavy equipment market to reach US\$3.62 billion in 2026, with a Compounded Annual Growth Rate (CAGR) of around 6% to 8% until 2031.

### Market Prospects in 2026

Based on the same data source, in 2026 the market is expected to still be dominated by the mining sector (including coal, nickel, and other minerals) with a contribution of around 45–50% of total unit demand. The next position is occupied by the construction and infrastructure sector, driven by the continuation of the Nusantara Capital City (IKN) project, the construction of toll roads and ports, with a contribution of around 35–40%. Meanwhile, the industrial and other sectors are projected to contribute around 5% of total demand.



### Industry Conditions throughout February 2026:

- **Mining production declines & heavy equipment market corrects**  
Quoted from Kompas.id Professional Mining (February 19, 2026), the Director of the Indonesian Heavy Equipment Experts Association (PERTAABI) stated that mining production has declined, causing the heavy equipment market to potentially correct by up to 18% from its initial estimate for the year. Main causes: high US dollar exchange rate (Rp17,000/USD) and tightening of mining production at the beginning of the year.
- **Significant reduction in coal production quotas**  
Meanwhile, according to Ruang Energi (January 31, 2026), the Indonesian Coal Mining Association (APBI ICMA) highlighted a 40%–70% reduction in production quotas from the initial RKAB. This policy risks making operations uneconomical, causing massive layoffs, regional economic pressure, disruption to export contracts & DMO, and the risk of default. The association has asked the government to review this policy to consider economic aspects, operational sustainability, and the impact on supporting sectors and the local economy.
- **Threat of mass layoffs & idle heavy equipment**  
According to a Bloomberg report (February 11, 2026), the Indonesian Mining Association (PERHAPI) estimates that mass layoffs could potentially affect around 50,000 mining workers, while 10,000–20,000 units of heavy equipment could be left idle due to the reduction in production targets in the 2026 RKAB for coal and mineral commodities. Although these estimates are still speculative at this point, the impact is expected to begin in March 2026.





#### Other Information :

- Loggis Teknologi Partnership – DEVELON:** Loggis Teknologi signed a distribution agreement with HD Hyundai Infracore Asia to become the official distributor of DEVELON premium machinery in Indonesia, while accelerating the adoption of environmentally friendly heavy equipment that optimizes energy efficiency and reduces emissions (Media Indonesia, February 19, 2026).
- Waste to Energy (WtE) Program:** The government, through BPI Danantara, is preparing to implement the National Program “Waste to Energy,” with groundbreaking scheduled for March 2026 in Bekasi, Bogor, Yogyakarta, and Bali, which requires the support of heavy equipment such as excavators, wheel loaders, material handlers, and landfill compactors, making it a promising business prospect for heavy equipment contractors and rental companies listed on the IDX such as PT Royaltama Mulia Kontraktorindo (RMKO), PT Intraco Penta (INTA), PT Asri Karya Lestari (ASLI), PT Bukaka Teknik Utama (BUKK), PT PP Persero (PTPP), dan PT United Tractors (UNTR).



**Nadya Citra Multasya**  
(Credit Analyst)

Currently, the heavy equipment business line, particularly in the mining sector, is facing pressure due to the government’s RKAB reduction policy. To date, no significant direct impact from this policy has been observed. Nevertheless, the company needs to apply a prudent approach in selecting prospective customers, including business owners as well as individuals working in the related sector. The same applies to existing customers, who require closer monitoring to mitigate potential default risks. On the other hand, the company can adjust its portfolio toward financing environmentally friendly heavy equipment and sustainable infrastructure projects, as these sectors demonstrate stronger growth potential and are aligned with regulations.



## C. Used Car

The 2026 used car sales trend seems to show fairly consistent growth in the Indonesian automotive market. As new car prices continue to rise, consumers are becoming more rational in their car purchasing decisions. Choosing a used car is a solution for more affordable mobility for people who want to own a vehicle on a limited budget.

The Indonesian automotive market started 2026 with a slowdown. Based on data from the Indonesian Automotive Industry Association (Gaikindo), wholesale car sales in January 2026 were recorded at 66,447 units, down about 27% compared to December 2025, which exceeded 90,000 units.



### Key Factors Driving the Used Car Trend in 2026;

1. New Cars Are Becoming Increasingly Unaffordable  
The increase in new car prices has widened the price gap with used cars. With the same amount of money, consumers can buy a used car with a higher class and more features.
2. Purchasing Power Remains a Challenge  
Economic pressures are making consumers more cautious and focused on long-term value. Used cars with guaranteed condition are the most realistic choice.

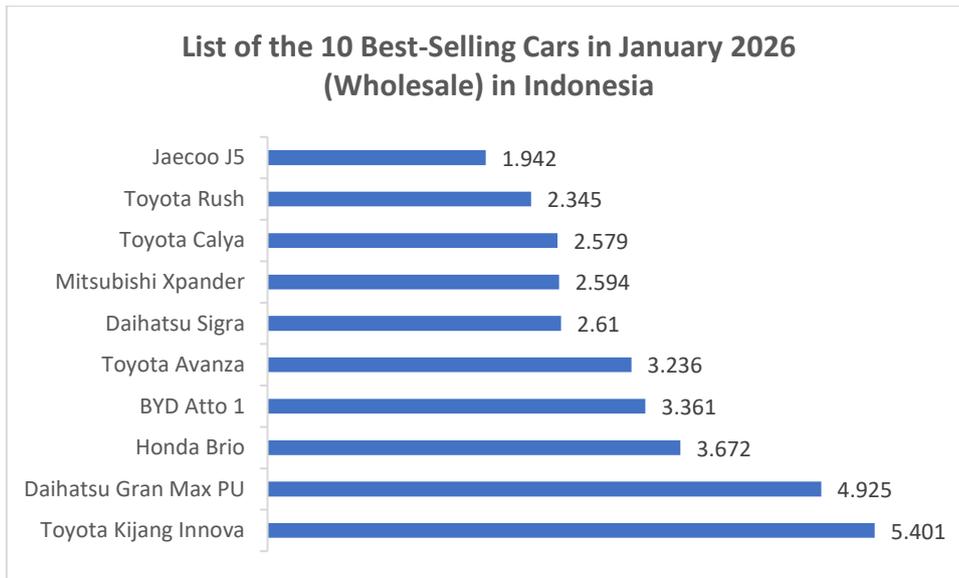
### The Main Challenges of Buying a Used Car in 2026

Consumers still face a major challenge when buying used cars, namely uncertainty about the condition of the vehicle. Many prospective buyers are concerned about the condition of the engine and transmission, accident or flood history, vehicle legality, and hidden repair costs after purchase.



**The Most Popular Types of Used Cars in 2026**

- **Used LCGC Cars Remain a Favorite :** Used LCGC cars remain the backbone of the 2026 used car sales trend. Fuel efficiency and low maintenance costs are the main reasons.
- **Used MPVs Still Dominate :** Used MPVs such as the Avanza, Xenia, and Innova remain in demand because they are suitable for family needs and daily activities.
- **Used SUVs and Hatchbacks Begin to Rise :** Used SUVs and hatchbacks are starting to attract urban consumers who want a modern look at a more affordable price.



**Hybrid Car**

Current technological advances are not only focused on communication devices or media. They also extend to vehicle technology, especially cars. We have all heard the term “hybrid car,” either directly or through various digital media.

**What is a hybrid car?**

Basically, a hybrid car is a type of vehicle that uses two power sources: a gasoline engine and an electric motor. These two systems work together to optimize fuel efficiency, reduce emissions, and improve driving performance.

**Types of Hybrid Cars**

Currently, there are several types of hybrid cars commonly found in the automotive market, each with different advantages and characteristics, including:

1. Mild Hybrid

Mild hybrid systems generally use additional batteries, but with smaller capacities. In general, this system functions to lighten the engine's workload at the start due to heavier loads.



## 2. Full Hybrid

This system gets its main power source from gasoline. However, to get additional power, this type of car will get it from an electric motor.

## 3. Plug-in Hybrid (PHEV)

The mechanism of this hybrid system is not much different from a full hybrid. However, this type of car offers a longer electric motor range because it uses a larger battery capacity.

### Advantages of Hybrid Cars

- More Fuel Efficient  
Because they use electric motors in various conditions, hybrid cars consume less gasoline. This is certainly very beneficial for daily commutes or in heavy traffic.
- Lower Emissions  
Hybrid cars can help reduce air pollution because their carbon emissions are much lower than conventional cars.
- A More Comfortable Driving Experience  
The transition between the electric motor and gasoline engine is smooth. Even the engine is quieter with minimal vibration and smoother acceleration response. This is what makes your driving experience more comfortable.
- More Environmentally Friendly  
By choosing a hybrid car, you are contributing to the reduction of greenhouse gas emissions and supporting sustainable initiatives.

### Several reasons why the used hybrid car market remains buoyant in early 2026:

- Sales of new hybrid cars throughout 2025 rose by around 10%, reaching nearly 66,000 units. As a result, more units are entering the used market.
- New car prices are relatively stable in early 2026, allowing buyers to directly compare new and used prices.
- Consumers are becoming more aware of fuel efficiency, especially amid fuel price fluctuations.
- Hybrids are seen as a bridge to fully electric vehicles (EVs), making them a safe choice for many people.



### Used Hybrid Car Market Forecast Through 2026

- Popular models will remain stable or see a slight increase, such as the Yaris Cross Hybrid and Corolla Cross Hybrid.
- Other models may stagnate or decline, especially if prices are too high.
- The entry of affordable PHEVs from China in the Rp 400–500 million range could intensify competition.
- Hybrids will remain the primary choice before consumers fully transition to EVs.



**Riko Sanjaya**  
(Credit Analyst)

Used cars are no longer a compromise, but have become the main alternative for most consumers due to their more affordable prices. This trend is reinforced by the condition of the new car market, which is still trying to stabilize after experiencing a decline in the previous year and the shift in public interest to the electrified vehicle segment.

Used hybrid cars are also starting to attract attention from the public because they are efficient and environmentally friendly. This could also be an opportunity for financing companies to expand their range of financed vehicle products.

**Source:**

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