

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,676.56	-0.52
STI	3,210.96	-0.12
HSI	19,978.25	+0.04
SSEC	3,290.99	-0.60
FTSE	7,751.08	-0.34
GDAX	15,897.93	-0.12
DJI	33,012.14	-1.01
S&P 500	4,109.90	-0.64
NDX	12,343.05	-0.18
10-yr Bond	Last	bps
ID	6.40	-1.00
US	3.54	+3.00
UK	3.81	0.00
JP	0.39	-1.00
CN	2.71	-1.00
MY	3.65	0.00
TH	2.50	0.00
Exchange Rate	Last	%
USD/IDR	14,820	+0.10
EUR/IDR	16,118	+0.22
GBP/IDR	18,513	+0.01
HKD/IDR	1,891	+0.05
SGD/IDR	11,073	-0.02
AUD/IDR	9,863	-0.59

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	95.64	+0.6
VIX	17.99	+5.1

Sources : Bloomberg, MNCS

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Global Market Updates

- Yields on the US government bond keep rising as markets await further development of debt ceiling negotiations.
- The short term bond of 2-year benchmark yield increased 8 bps to 4.09%, whereas the 10-year benchmark rose by 3 bps to 3.54% on Monday (May 16, 2023).
- Rising yields in the government bond market has triggered equity market correction yesterday.
- The DJI turned out to be the worst performer after declining by 1.01% while NDX only fell 0.18% at the same time.
- Deadline for debt ceilings is approaching as Treasury Secretary Janet Yellen said that US may default on its debt obligation soon by early Jun-23 should the deal about debt limit is not achieved.
- On the other hand, markets also digest recent Fed's officials commentary on inflation and rate which reiterated the still hawkish stance.

Domestic Market Updates

- The benchmark LCY government bond price traded up on May 16, 2023 with the 10-year yield decreased by 1 bps to 6.40%.
- Besides that, other benchmark particularly on the shorter-term also experienced a yield decline.
- The IDR depreciated against other major currency and falling 0.10% against USD to IDR14,820/USD yesterday, in the midst of stabilizing CDS.
- Investors demand for government bond in the latest auction showing an improvement as the incoming bids value hit IDR65.5tn or higher than previous auction of IDR45tn.
- Despite attracting higher demand, the awarded bid of the 7 series offered only amounted at IDR15tn.
- Higher demand in the latest auction showed investors appetite given a more resilient bond market and also driven by higher liquidity in the market.

Market Forecast

- Given the recent development on global and domestic market, we expect the 10 year Indo GB yield to move within a range of 6.35-6.45% for today.
- Attractive Indo GB series to be traded today : FR0046, FR0070, FR0077, FR0084, FR0086, FR0091, FR0088, FR0050.

Exhibit 3. Benchmark LCY Government Bond Prices (May 16, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.39	6.06%	101.31	6.08%
FR0096	10-year	104.30	6.40%	104.24	6.41%
FR0098	15-year	104.73	6.62%	104.60	6.64%
FR0097	20-year	104.52	6.71%	104.51	6.71%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (May 16, 2023)

Rating	0.1	1	3	5	10
AAA	43.59	48.85	53.87	58.95	64.14
AA	51.80	86.17	117.29	140.69	158.69
A	160.96	198.05	233.03	271.98	350.33
BBB	336.38	398.32	443.61	495.90	592.63

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (May 12, 2023)

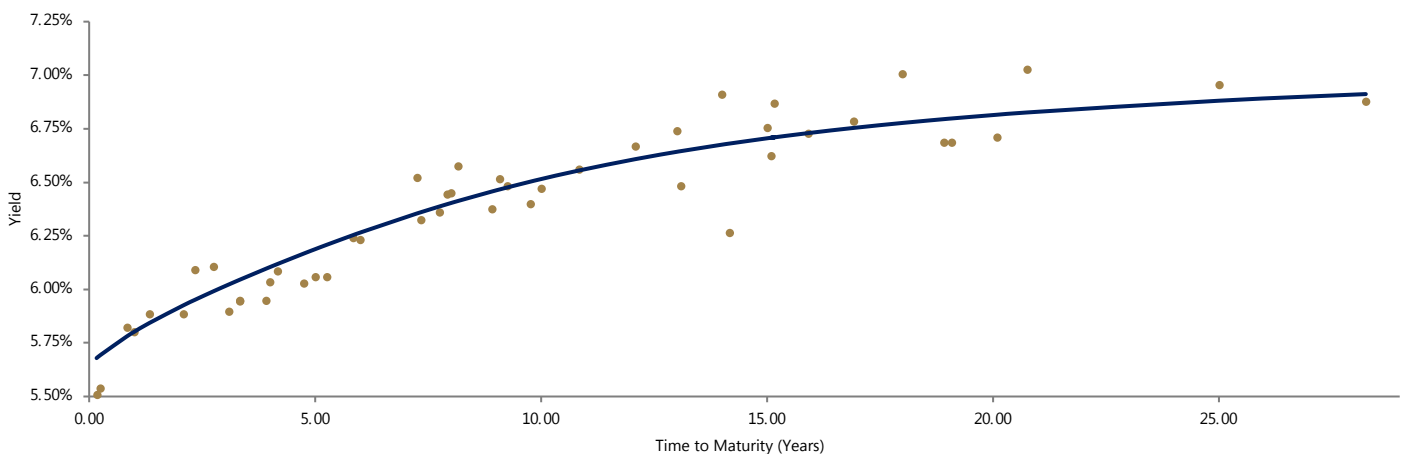
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	18.83
Banks	33.51	33.24	31.93	29.82	31.01
Foreign	15.10	14.79	14.89	14.86	14.92
MF, IF & PF	18.99	19.39	19.86	19.81	19.84

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (May 16, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.16	100.60	5.51%	5.68%	100.60	Premium
FR39	11.750	15-Aug-23	0.25	101.45	5.54%	5.69%	101.46	Premium
FR70	8.375	15-Mar-24	0.83	102.01	5.82%	5.78%	102.06	Fair
FR77	8.125	15-May-24	1.00	102.20	5.80%	5.80%	102.22	Fair
FR44	10.000	15-Sep-24	1.34	105.15	5.88%	5.84%	105.24	Fair
FR81	6.500	15-Jun-25	2.08	101.18	5.89%	5.93%	101.10	Fair
FR40	11.000	15-Sep-25	2.33	110.47	6.09%	5.95%	110.82	Discounted
FR84	7.250	15-Feb-26	2.75	102.84	6.11%	5.99%	103.14	Discounted
FR86	5.500	15-Jun-26	3.08	98.95	5.90%	6.02%	98.54	Premium
FR37	12.000	15-Sep-26	3.33	118.00	5.94%	6.05%	117.71	Premium
FR56	8.375	15-Sep-26	3.33	107.21	5.95%	6.05%	106.92	Premium
FR90	5.125	15-Apr-27	3.92	97.16	5.95%	6.10%	96.65	Premium
FR59	7.000	15-May-27	4.00	103.37	6.04%	6.10%	103.14	Premium
FR42	10.250	15-Jul-27	4.16	115.08	6.09%	6.12%	114.98	Fair
FR47	10.000	15-Feb-28	4.75	116.15	6.03%	6.17%	115.56	Premium
FR64	6.125	15-May-28	5.00	100.28	6.06%	6.19%	99.73	Premium
FR95	6.375	15-Aug-28	5.25	101.39	6.06%	6.21%	100.73	Premium
FR71	9.000	15-Mar-29	5.83	113.28	6.24%	6.25%	113.24	Fair
FR78	8.250	15-May-29	6.00	109.96	6.23%	6.27%	109.80	Fair
FR52	10.500	15-Aug-30	7.25	122.65	6.52%	6.35%	123.77	Discounted
FR82	7.000	15-Sep-30	7.33	103.89	6.33%	6.36%	103.69	Fair
FR87	6.500	15-Feb-31	7.75	100.83	6.36%	6.39%	100.67	Fair
FR85	7.750	15-Apr-31	7.92	107.99	6.44%	6.40%	108.29	Fair
FR73	8.750	15-May-31	8.00	114.18	6.45%	6.40%	114.51	Fair
FR54	9.500	15-Jul-31	8.16	118.22	6.58%	6.41%	119.37	Discounted
FR91	6.375	15-Apr-32	8.92	99.99	6.37%	6.46%	99.44	Premium
FR58	8.250	15-Jun-32	9.08	111.73	6.52%	6.47%	112.10	Fair
FR74	7.500	15-Aug-32	9.25	106.98	6.48%	6.48%	107.03	Fair
FR96	7.000	15-Feb-33	9.75	104.30	6.40%	6.50%	103.54	Premium
FR65	6.625	15-May-33	10.00	101.11	6.47%	6.51%	100.80	Fair
FR68	8.375	15-Mar-34	10.83	113.89	6.56%	6.55%	113.94	Fair
FR80	7.500	15-Jun-35	12.08	106.82	6.67%	6.61%	107.34	Fair
FR72	8.250	15-May-36	13.00	112.94	6.74%	6.64%	113.85	Discounted
FR88	6.250	15-Jun-36	13.08	97.96	6.48%	6.65%	96.58	Premium
FR45	9.750	15-May-37	14.00	125.20	6.91%	6.68%	127.69	Discounted
FR93	6.375	15-Jul-37	14.16	101.00	6.27%	6.68%	97.22	Premium
FR75	7.500	15-May-38	15.00	106.95	6.76%	6.71%	107.44	Fair
FR50	10.500	15-Jul-38	15.16	133.85	6.87%	6.71%	135.70	Discounted
FR98	7.125	15-Jun-38	15.08	104.73	6.62%	6.71%	103.91	Premium
FR79	8.375	15-Apr-39	15.92	115.92	6.73%	6.73%	115.91	Fair
FR83	7.500	15-Apr-40	16.92	107.11	6.79%	6.75%	107.45	Fair
FR57	9.500	15-May-41	18.00	125.28	7.01%	6.78%	128.07	Discounted
FR62	6.375	15-Apr-42	18.92	96.68	6.69%	6.79%	95.56	Premium
FR92	7.125	15-Jun-42	19.08	104.68	6.69%	6.80%	103.46	Premium
FR97	7.125	15-Jun-43	20.08	104.52	6.71%	6.82%	103.35	Premium
FR67	8.750	15-Feb-44	20.75	118.65	7.03%	6.83%	121.17	Discounted
FR76	7.375	15-May-48	25.00	104.93	6.96%	6.88%	105.86	Discounted
FR89	6.875	15-Aug-51	28.25	99.94	6.88%	6.91%	99.53	Fair

Sources : Bloomberg, MNCS

Exhibit 07. Indonesia Government Bond Yield Curve


Sources : Bloomberg, MNCS

MNC Research Industry Ratings Guidance

- **OVERWEIGHT** : Stock's total return is estimated to be above the average total return of our industry coverage universe over next 6-12 months
- **NEUTRAL** : Stock's total return is estimated to be in line with the average total return of our industry coverage universe over next 6-12 months
 - **UNDERWEIGHT** : Stock's total return is estimated to be below the average total return of our industry coverage universe over next 6-12 months

MNC Research Investment Ratings Guidance

- **BUY** : Share price may exceed 10% over the next 12 months
- **HOLD** : Share price may fall within the range of +/- 10% of the next 12 months
 - **SELL** : Share price may fall by more than 10% over the next 12 months
 - **Not Rated** : Stock is not within regular research coverage

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