

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,702.63	+0.63
STI	3,223.66	+0.11
HSI	19,218.55	-1.98
SSEC	3,197.90	-1.31
FTSE	7,559.31	-0.13
GDAX	16,023.13	-0.55
DJI	33,951.52	-0.30
S&P 500	4,365.69	-0.52
NDX	13,502.20	-1.21

10-yr Bond	Last	Bps
ID	6.32	+1.26
US	3.72	-4.06
UK	4.34	-15.0
JP	0.38	-1.10
CN	2.67	-0.40
MY	3.79	+2.40
TH	2.60	-1.10

Exchange Rate	Last	%
USD/IDR	14,945	-0.37
EUR/IDR	16,336	-0.49
GBP/IDR	19,018	-0.88
HKD/IDR	1,911	-0.39
SGD/IDR	11,126	-0.55
AUD/IDR	10,109	-0.86

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	84.91	+1.4
VIX	13.20	-4.9

Sources : Bloomberg, MNCS

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Global Market Updates

- Inflation in the US is still too high for comfort according to the bulk of FOMC members, as Powell doubled down on the likelihood that the Fed would hoist the interest-rates two more times.
- The latest CPI data release from UK proved to be unexpectedly sticky with a 8.7% YoY increase (vs consensus of 8.4% YoY), further proving the point of the FOMC caution.
- The US yield curve is on the verge of once more diving 100 bps below zero, with the long-term 10-year benchmark slipping down 2 bps to 3.72% while the 2-year benchmark remained flat.
- US market consensus is now looking at a 71.9% probability for further a rate hike on the upcoming FOMC meeting.
- The hawkish-tilting sentiments left no room for the bulls, weighing down and extended the DJI, S&P 500 and Nasdaq's losses yesterday.
- In contrast, Asian stocks seems to be looking past any recession signals coming from the west, partly reflected from most central banks taking a break from their tightening cycles with China in easing mode, with MSCI Asia Pacific Index running at an undemanding 1.5x PBV compared to S&P 500's above 4x.

Domestic Market Updates

- The benchmark series of LCY government bond prices took a rebound on Wednesday (Jun 21, 2023). Indonesia's benchmark 10-year LCY government bond yield FR0096 fell 3 bps to 6.29% whereas other benchmark series remained relatively flat.
- Domestic LCY government bond yield decline was also accompanied by IDR appreciation against major currencies, with the USD/IDR posting a -0.37% slip yesterday.
- Ahead of the Bank of Indonesia's (BI) Board of Governors meeting to be held today, the market is not expecting any rate hikes as the economy has priced in an in-line inflationary easing towards BI's target.
- Given the stable outlook on rate policies, government bonds transactions should not be looking at any surprise in volatility.

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 6.20-6.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0084, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Jun 21, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.97	5.92%	101.99	5.92%
FR0096	10-year	105.07	6.29%	104.86	6.32%
FR0098	15-year	105.92	6.50%	105.72	6.52%
FR0097	20-year	105.75	6.60%	105.73	6.60%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Jun 21, 2023)

Rating	0.1	1	3	5	10
AAA	38.52	56.62	69.11	76.13	88.83
AA	64.78	103.64	128.76	149.73	186.90
A	163.68	215.79	257.97	290.79	353.83
BBB	331.74	404.60	457.19	505.62	595.46

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (May 29, 2023)

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	17.22
Banks	33.51	33.24	31.93	29.82	31.72
Foreign	15.10	14.79	14.89	14.86	15.31
MF, IF & PF	18.99	19.39	19.86	19.81	20.28

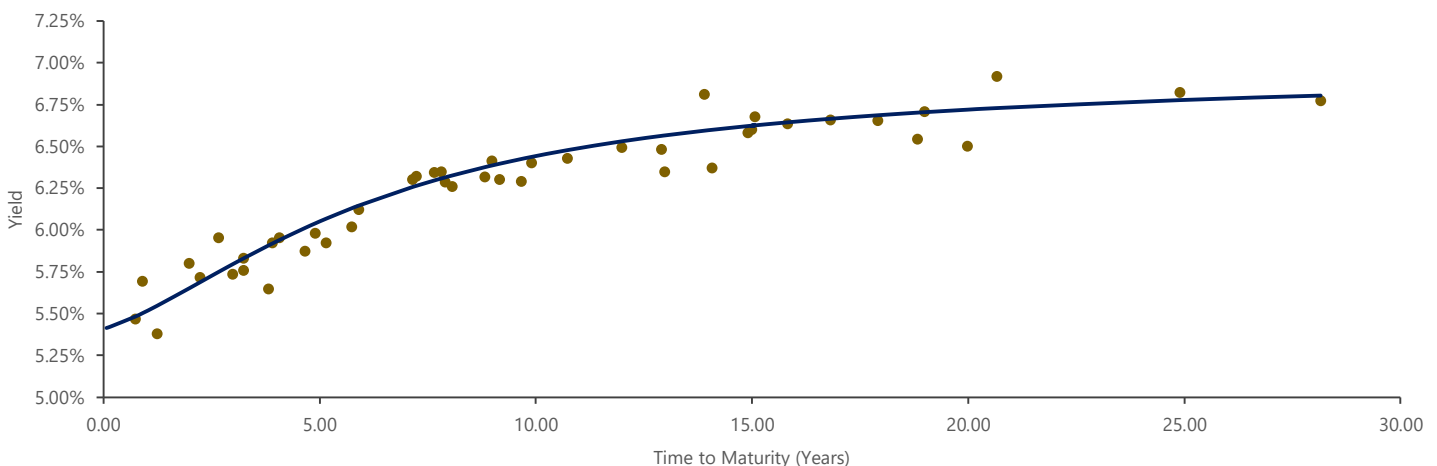
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Jun 21, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.07	100.28	4.63%	5.42%	100.26	Premium
FR39	11.750	15-Aug-23	0.15	101.12	3.88%	5.42%	100.92	Premium
FR70	8.375	15-Mar-24	0.73	102.04	5.47%	5.48%	102.04	Fair
FR77	8.125	15-May-24	0.90	102.08	5.69%	5.50%	102.26	Discounted
FR44	10.000	15-Sep-24	1.24	105.40	5.38%	5.55%	105.22	Premium
FR81	6.500	15-Jun-25	1.98	101.29	5.80%	5.65%	101.57	Discounted
FR40	11.000	15-Sep-25	2.24	110.89	5.72%	5.69%	110.97	Fair
FR84	7.250	15-Feb-26	2.66	103.12	5.95%	5.75%	103.63	Discounted
FR86	5.500	15-Jun-26	2.98	99.39	5.73%	5.80%	99.20	Fair
FR37	12.000	15-Sep-26	3.24	118.13	5.76%	5.83%	117.92	Premium
FR56	8.375	15-Sep-26	3.24	107.38	5.83%	5.83%	107.39	Fair
FR90	5.125	15-Apr-27	3.82	98.23	5.65%	5.91%	97.35	Premium
FR59	7.000	15-May-27	3.90	103.69	5.92%	5.92%	103.71	Fair
FR42	10.250	15-Jul-27	4.07	115.29	5.95%	5.94%	115.36	Fair
FR47	10.000	15-Feb-28	4.65	116.55	5.87%	6.01%	115.96	Premium
FR64	6.125	15-May-28	4.90	100.61	5.98%	6.04%	100.35	Fair
FR95	6.375	15-Aug-28	5.15	101.97	5.92%	6.07%	101.33	Premium
FR71	9.000	15-Mar-29	5.73	114.25	6.02%	6.13%	113.68	Premium
FR78	8.250	15-May-29	5.90	110.39	6.12%	6.15%	110.27	Fair
FR52	10.500	15-Aug-30	7.15	123.84	6.30%	6.26%	124.14	Fair
FR82	7.000	15-Sep-30	7.24	103.89	6.32%	6.26%	104.21	Fair
FR87	6.500	15-Feb-31	7.66	100.91	6.35%	6.30%	101.21	Fair
FR85	7.750	15-Apr-31	7.82	108.52	6.35%	6.31%	108.77	Fair
FR73	8.750	15-May-31	7.90	115.13	6.29%	6.31%	114.95	Fair
FR54	9.500	15-Jul-31	8.07	120.25	6.26%	6.33%	119.80	Fair
FR91	6.375	15-Apr-32	8.82	100.39	6.32%	6.38%	99.98	Fair
FR58	8.250	15-Jun-32	8.98	112.39	6.41%	6.39%	112.59	Fair
FR74	7.500	15-Aug-32	9.15	108.23	6.30%	6.40%	107.55	Premium
FR96	7.000	15-Feb-33	9.66	105.07	6.29%	6.42%	104.08	Premium
FR65	6.625	15-May-33	9.90	101.62	6.40%	6.44%	101.35	Fair
FR68	8.375	15-Mar-34	10.73	114.91	6.43%	6.48%	114.49	Fair
FR80	7.500	15-Jun-35	11.98	108.28	6.49%	6.53%	107.97	Fair
FR72	8.250	15-May-36	12.90	115.28	6.48%	6.56%	114.52	Premium
FR88	6.250	15-Jun-36	12.98	99.16	6.35%	6.57%	97.27	Premium
FR45	9.750	15-May-37	13.90	126.13	6.81%	6.59%	128.42	Discounted
FR93	6.375	15-Jul-37	14.07	100.04	6.37%	6.60%	97.96	Premium
FR75	7.500	15-May-38	14.90	108.63	6.58%	6.62%	108.23	Fair
FR50	10.500	15-Jul-38	15.07	135.97	6.68%	6.63%	136.56	Fair
FR98	7.125	15-Jun-38	14.98	105.75	6.60%	6.62%	104.71	Fair
FR79	8.375	15-Apr-39	15.82	116.88	6.63%	6.64%	116.77	Fair
FR83	7.500	15-Apr-40	16.82	108.42	6.66%	6.67%	108.35	Fair
FR57	9.500	15-May-41	17.90	129.50	6.65%	6.69%	129.10	Fair
FR62	6.375	15-Apr-42	18.82	98.18	6.54%	6.70%	96.52	Premium
FR92	7.125	15-Jun-42	18.98	104.46	6.71%	6.70%	104.48	Fair
FR97	7.125	15-Jun-43	19.98	105.92	6.50%	6.72%	104.42	Premium
FR67	8.750	15-Feb-44	20.65	119.94	6.92%	6.73%	122.36	Discounted
FR76	7.375	15-May-48	24.90	106.57	6.82%	6.78%	107.13	Fair
FR89	6.875	15-Aug-51	28.15	101.27	6.77%	6.80%	100.87	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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