

**Exhibit 1. Daily Market Updates**

| Equity  | Last      | %     |
|---------|-----------|-------|
| JCI     | 6,867.14  | -0.04 |
| STI     | 3,254.43  | +0.18 |
| HSI     | 19,413.78 | +0.33 |
| SSEC    | 3,209.63  | -0.87 |
| FTSE    | 7,406.42  | -0.38 |
| GDAX    | 16,068.65 | -0.23 |
| DJI     | 34,509.03 | +0.22 |
| S&P 500 | 4,505.42  | +0.39 |
| NDX     | 14,113.70 | +0.93 |

| 10-yr Bond | Last | Bps   |
|------------|------|-------|
| ID         | 6.19 | +2.87 |
| US         | 3.80 | -3.30 |
| UK         | 4.43 | -1.20 |
| JP         | 0.48 | +0.00 |
| CN         | 2.64 | -0.90 |
| MY         | 3.81 | +1.90 |
| TH         | 2.56 | -0.60 |

| Exchange Rate | Last   | %      |
|---------------|--------|--------|
| USD/IDR       | 15,005 | +0.31% |
| EUR/IDR       | 16,866 | +0.40% |
| GBP/IDR       | 19,650 | +0.12% |
| HKD/IDR       | 1,921  | +0.40% |
| SGD/IDR       | 11,363 | +0.27% |
| AUD/IDR       | 10,232 | -0.45% |

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

| Category | Last  | %    |
|----------|-------|------|
| 5-yr CDS | 82.23 | +1.1 |
| VIX      | 13.96 | +4.6 |

Sources : Bloomberg, MNCS

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**Global Market Updates**

- Upon starting the week, Wall Street got back on its tracks and closed in the green; Nasdaq led the gains by +0.93%, S&P 500 followed suit by +0.39% and DJI by +0.22%.
- US stocks were propelled by the tech sector: Tesla (+3.2%) having their new cybertruck product commencing production and Activision Blizzard (+3.5%) having their video game court case went in their favor.
- US Empire manufacturing index reading for July that beat consensus (1.1 vs -3.5) also encouraged the market and lowered the bond yields; the long-term 10-year note yield fell -3.3 bps to 3.8%, while the 2-year note remained flat, keeping the 2-10 year curve spread at -0.94 bps.
- European and Chinese weakened after China's Q2 GDP release fell short of market's expectations (+6.3% YoY vs +7.1% YoY) despite a lower base from last year, and only 0.8% QoQ, weighing down on crude oil and coal.
- Next week's FOMC meeting outcome is practically locked-in; the market is currently looking at a 98% probability for a 25 bps rate hike based on CME FedWatch (vs previous day's/week's 96.7%/93%).

**Domestic Market Updates**

- Indonesia's benchmark series of LCY government bond unanimously fell yesterday (Jul 17, 2023). The 10-year LCY government bond's (FR0096) yield went up 3 bps, followed suit by other series.
- The spread between 2-year and 10-year government bond bounced back to 0.24% (vs previous day's/week's 0.20%/0.24%).
- IDR weakened against the USD and against other major currencies yesterday as China's waning economic optimism weighed on Rupiah's standing. The USD/IDR rate rose by +0.31% back to IDR15,005.
- The government sukuk auction held today by the Ministry of Finance (MoF) will feature a new short-term treasury sukuk issuance (SPN-S17012024), along with five reopenings of project based sukuk (PBS036, PBS003, PBS037, PBS034 and PBS033), with the indicative target kept at IDR6tn.

**Market Forecast**

- Given the recent developments that unfolded within the global and domestic markets, we expect the 10 year Indo GB yield to move within the range of 6.15-6.25% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0078, FR0081, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Jul 17, 2023)**

| Series | Benchmark | Last Price | YTM   | -1D Price | -1D YTM |
|--------|-----------|------------|-------|-----------|---------|
| FR0095 | 5-year    | 102.22     | 5.86% | 102.38    | 5.83%   |
| FR0096 | 10-year   | 105.80     | 6.19% | 106.01    | 6.16%   |
| FR0098 | 15-year   | 107.69     | 6.32% | 107.97    | 6.29%   |
| FR0097 | 20-year   | 107.83     | 6.42% | 108.01    | 6.41%   |

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 17, 2023)**

| Rating | 0.1    | 1      | 3      | 5      | 10     |
|--------|--------|--------|--------|--------|--------|
| AAA    | 30.94  | 50.98  | 65.47  | 73.37  | 86.12  |
| AA     | 53.63  | 104.71 | 122.89 | 147.91 | 184.23 |
| A      | 154.78 | 204.23 | 248.08 | 286.95 | 353.90 |
| BBB    | 337.15 | 409.82 | 457.99 | 499.64 | 592.27 |

Sources : IBPA, MNCS

**Exhibit 5. Government Bond Ownership by Type (%) (Jun 27, 2023)**

| Series       | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 |
|--------------|--------|--------|--------|--------|--------|--------|
| Central Bank | 17.28  | 17.49  | 18.27  | 20.10  | 17.22  | 17.43  |
| Banks        | 33.51  | 33.24  | 31.93  | 29.82  | 31.72  | 31.06  |
| Foreign      | 15.10  | 14.79  | 14.89  | 14.86  | 15.31  | 15.51  |
| MF, IF & PF  | 18.99  | 19.39  | 19.86  | 19.81  | 20.28  | 20.50  |

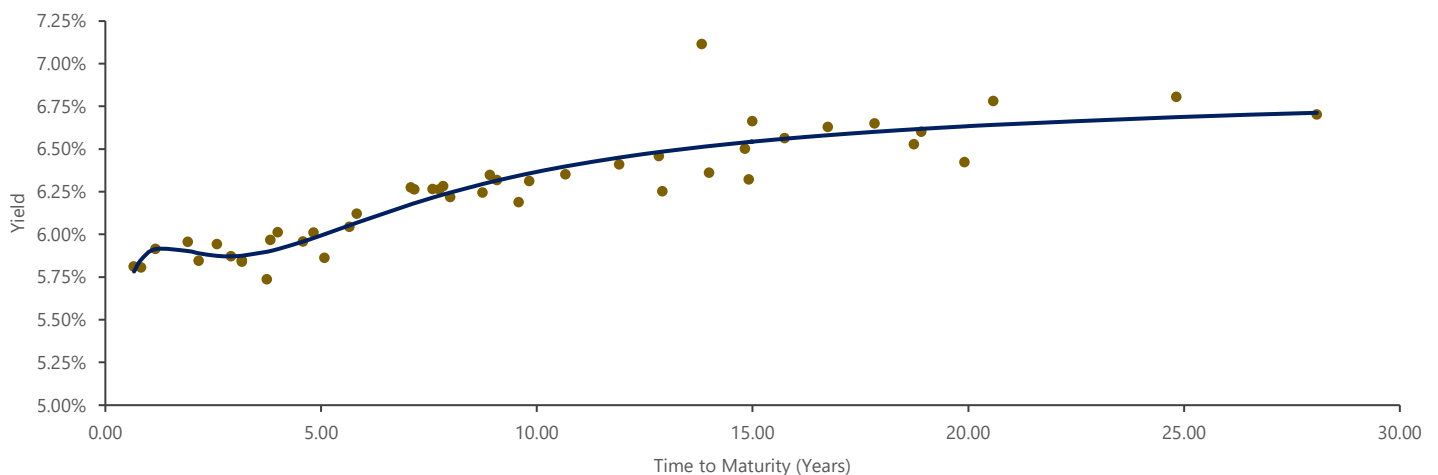
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Jul 17, 2023)

| Series      | Coupon       | Maturity         | TTM         | Last Price    | YTM          | Yield Curve  | Fair Price    | Notes      |
|-------------|--------------|------------------|-------------|---------------|--------------|--------------|---------------|------------|
| FR39        | 11.750       | 15-Aug-23        | 0.08        | 100.57        | 3.65%        | 5.11%        | 100.51        | Premium    |
| FR70        | 8.375        | 15-Mar-24        | 0.66        | 101.61        | 5.81%        | 5.78%        | 101.65        | Discounted |
| FR77        | 8.125        | 15-May-24        | 0.83        | 101.82        | 5.81%        | 5.85%        | 101.80        | Premium    |
| FR44        | 10.000       | 15-Sep-24        | 1.17        | 104.48        | 5.91%        | 5.91%        | 104.51        | Fair       |
| FR81        | 6.500        | 15-Jun-25        | 1.91        | 100.96        | 5.96%        | 5.90%        | 101.06        | Discounted |
| FR40        | 11.000       | 15-Sep-25        | 2.17        | 110.28        | 5.84%        | 5.89%        | 110.22        | Premium    |
| FR84        | 7.250        | 15-Feb-26        | 2.58        | 103.07        | 5.94%        | 5.87%        | 103.24        | Discounted |
| FR86        | 5.500        | 15-Jun-26        | 2.91        | 99.06         | 5.87%        | 5.87%        | 99.01         | Fair       |
| FR37        | 12.000       | 15-Sep-26        | 3.16        | 117.50        | 5.84%        | 5.87%        | 117.43        | Premium    |
| FR56        | 8.375        | 15-Sep-26        | 3.16        | 107.18        | 5.85%        | 5.87%        | 107.11        | Premium    |
| FR90        | 5.125        | 15-Apr-27        | 3.75        | 97.96         | 5.74%        | 5.90%        | 97.43         | Premium    |
| FR59        | 7.000        | 15-May-27        | 3.83        | 103.47        | 5.97%        | 5.90%        | 103.70        | Discounted |
| FR42        | 10.250       | 15-Jul-27        | 4.00        | 114.83        | 6.01%        | 5.91%        | 115.23        | Discounted |
| FR47        | 10.000       | 15-Feb-28        | 4.58        | 115.97        | 5.96%        | 5.96%        | 115.99        | Fair       |
| FR64        | 6.125        | 15-May-28        | 4.83        | 100.47        | 6.01%        | 5.98%        | 100.60        | Discounted |
| FR95        | 6.375        | 15-Aug-28        | 5.08        | 102.22        | 5.86%        | 6.00%        | 101.61        | Premium    |
| FR71        | 9.000        | 15-Mar-29        | 5.66        | 113.97        | 6.04%        | 6.05%        | 113.94        | Premium    |
| FR78        | 8.250        | 15-May-29        | 5.83        | 110.28        | 6.12%        | 6.07%        | 110.56        | Discounted |
| FR52        | 10.500       | 15-Aug-30        | 7.08        | 123.82        | 6.28%        | 6.18%        | 124.49        | Discounted |
| FR82        | 7.000        | 15-Sep-30        | 7.16        | 104.19        | 6.26%        | 6.18%        | 104.66        | Discounted |
| FR87        | 6.500        | 15-Feb-31        | 7.58        | 101.40        | 6.26%        | 6.22%        | 101.69        | Discounted |
| FR85        | 7.750        | 15-Apr-31        | 7.75        | 108.99        | 6.26%        | 6.23%        | 109.23        | Discounted |
| FR73        | 8.750        | 15-May-31        | 7.83        | 115.06        | 6.28%        | 6.23%        | 115.39        | Discounted |
| FR54        | 9.500        | 15-Jul-31        | 8.00        | 120.41        | 6.22%        | 6.25%        | 120.24        | Premium    |
| FR91        | 6.375        | 15-Apr-32        | 8.75        | 100.85        | 6.25%        | 6.30%        | 100.52        | Premium    |
| FR58        | 8.250        | 15-Jun-32        | 8.91        | 112.78        | 6.35%        | 6.31%        | 113.09        | Discounted |
| FR74        | 7.500        | 15-Aug-32        | 9.08        | 108.07        | 6.32%        | 6.32%        | 108.08        | Fair       |
| <b>FR96</b> | <b>7.000</b> | <b>15-Feb-33</b> | <b>9.58</b> | <b>105.80</b> | <b>6.19%</b> | <b>6.34%</b> | <b>104.65</b> | Premium    |
| FR65        | 6.625        | 15-May-33        | 9.83        | 102.25        | 6.31%        | 6.36%        | 101.92        | Premium    |
| FR68        | 8.375        | 15-Mar-34        | 10.66       | 115.48        | 6.35%        | 6.40%        | 115.09        | Premium    |
| FR80        | 7.500        | 15-Jun-35        | 11.91       | 108.98        | 6.41%        | 6.45%        | 108.63        | Premium    |
| FR72        | 8.250        | 15-May-36        | 12.83       | 115.45        | 6.46%        | 6.48%        | 115.22        | Premium    |
| FR88        | 6.250        | 15-Jun-36        | 12.91       | 99.98         | 6.25%        | 6.49%        | 97.96         | Premium    |
| FR45        | 9.750        | 15-May-37        | 13.83       | 122.92        | 7.12%        | 6.51%        | 129.20        | Discounted |
| FR93        | 6.375        | 15-Jul-37        | 14.00       | 100.13        | 6.36%        | 6.52%        | 98.70         | Premium    |
| FR75        | 7.500        | 15-May-38        | 14.83       | 109.40        | 6.50%        | 6.54%        | 109.02        | Premium    |
| FR50        | 10.500       | 15-Jul-38        | 15.00       | 136.02        | 6.66%        | 6.54%        | 137.44        | Discounted |
| FR98        | 7.125        | 15-Jun-38        | 14.91       | 107.69        | 6.32%        | 6.54%        | 105.50        | Premium    |
| FR79        | 8.375        | 15-Apr-39        | 15.75       | 117.60        | 6.56%        | 6.56%        | 117.63        | Fair       |
| FR83        | 7.500        | 15-Apr-40        | 16.75       | 108.72        | 6.63%        | 6.58%        | 109.23        | Discounted |
| FR57        | 9.500        | 15-May-41        | 17.83       | 129.50        | 6.65%        | 6.60%        | 130.10        | Discounted |
| FR62        | 6.375        | 15-Apr-42        | 18.75       | 98.35         | 6.53%        | 6.62%        | 97.42         | Premium    |
| FR92        | 7.125        | 15-Jun-42        | 18.91       | 105.62        | 6.60%        | 6.62%        | 105.41        | Premium    |
| FR97        | 7.125        | 15-Jun-43        | 19.91       | 107.83        | 6.42%        | 6.63%        | 105.39        | Premium    |
| FR67        | 8.750        | 15-Feb-44        | 20.58       | 121.66        | 6.78%        | 6.64%        | 123.46        | Discounted |
| FR76        | 7.375        | 15-May-48        | 24.83       | 106.76        | 6.81%        | 6.69%        | 108.26        | Discounted |
| FR89        | 6.875        | 15-Aug-51        | 28.08       | 102.16        | 6.70%        | 6.71%        | 102.03        | Premium    |

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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