

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,830.20	-0.54
STI	3,275.24	+0.64
HSI	18,952.31	-0.33
SSEC	3,198.84	+0.03
FTSE	7,588.20	+1.80
GDAX	16,108.93	-0.10
DJI	35,061.21	+0.31
S&P 500	4,565.72	+0.24
NDX	14,358.02	+0.03

10-yr Bond	Last	Bps
ID	6.19	+0.65
US	3.75	-3.70
UK	4.22	-11.60
JP	0.47	+1.40
CN	2.63	+0.20
MY	3.80	-0.10
TH	2.55	+0.70

Exchange Rate	Last	%
USD/IDR	14,995	-0.07%
EUR/IDR	16,857	+0.02%
GBP/IDR	19,408	-1.05%
HKD/IDR	1,922	+0.12%
SGD/IDR	11,320	-0.21%
AUD/IDR	10,145	-0.63%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	80.66	-0.0
VIX	13.76	+3.5

Sources : Bloomberg, MNCS

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Global Market Updates

- Wall Street closed higher on Wednesday; S&P 500 gained +0.24%, DJI went up +0.31% and Nasdaq managed to tick upwards by +0.03%, as the market observed positive 2Q23 corporate earnings results.
- US stock movements was also supported by the of lower than expected US housing starts report Jun-23 and easing inflation pressures from the UK which fell to 7.9% YoY Jun-23 from 8.7% YoY May-23, exceeding market expectations of 8.2% YoY.
- This sparked a craze for the 10-year UK gilt, plummeting its yield by -11.6 bps to a 6-week low which carried over to US 10-year yields as well. We are now seeing the 10-year treasury note at 3.75%, which means a widened inverted yield spread of -0.99bps the 2-year notes remain unchanged, indicating that recession remains a risk in the foreseeable future.
- CME Fedwatch's target rate probability for next week remains fixated at 98% for a 25 bps hike (previously 98%).

Domestic Market Updates

- Indonesia's benchmark series of LCY government stood flat Tuesday (Jul 18, 2023). The 10-year LCY government bond's (FR0096) yield remain unchanged while the shorter 5-year and 20-year saw some appreciation.
- The spread between the 2-year and 10-year government bond narrowed to 0.21% (vs previous day's/week's 0.24%/0.24%).
- IDR closed stronger against the USD and was mixed against other major currencies Tuesday as the newly stipulated policy (Government Regulation No.36/2023) that mandates export earnings to be repatriated in order to inject dollar liquidity into the country's reserves gave Rupiah some standing.
- Tuesday's sharia government securities auction saw a total of IDR24.3tn incoming bids, less than the previous IDR34.1tn, with the same winning bids of IDR6tn. Investors sought after the shorter-termed sukuk (PBS036), as it wielded the highest bid-to-cover of 13x.
- We also note a IDR0.7tn accrual in foreign position in bonds as of Jul 17, 2023 (IDR2.1tn MTD).

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 : FR0064, FR0078, FR0081, FR0082, FR0087, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Jul 18, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	102.24	5.86%	102.22	5.86%
FR0096	10-year	105.74	6.19%	105.80	6.19%
FR0098	15-year	107.63	6.33%	107.69	6.32%
FR0097	20-year	107.94	6.41%	107.83	6.42%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 18, 2023)

Rating	0.1	1	3	5	10
AAA	30.94	50.97	65.49	73.38	86.09
AA	53.63	104.71	122.88	147.92	184.23
A	154.78	204.24	248.07	286.94	353.89
BBB	337.17	409.80	458.01	499.63	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

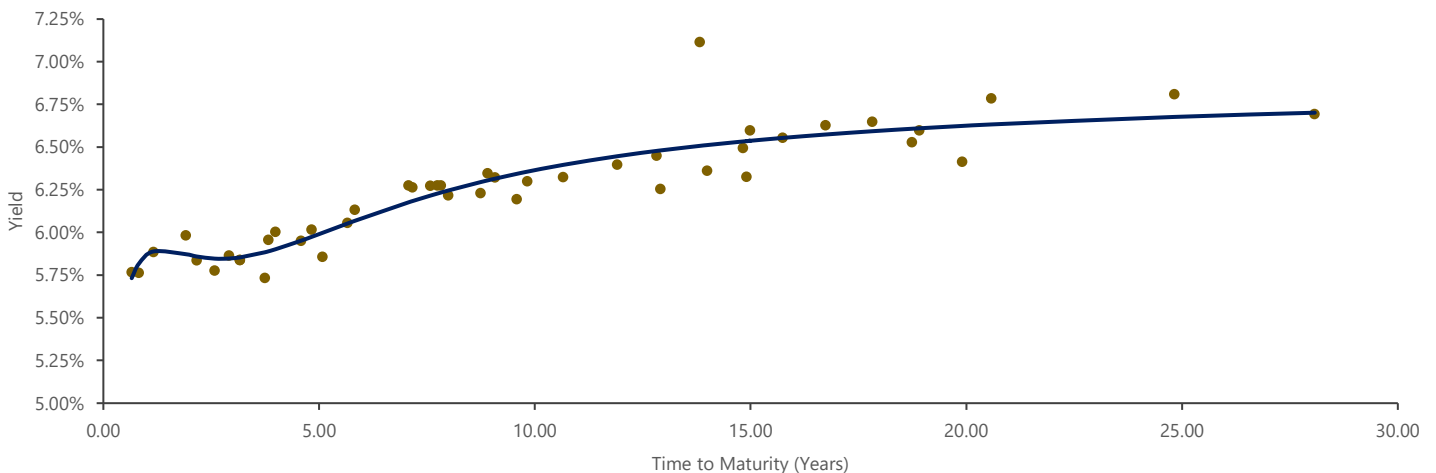
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Jul 18, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR39	11.750	15-Aug-23	0.08	100.57	2.26%	4.84%	100.51	Premium
FR70	8.375	15-Mar-24	0.66	101.61	5.77%	5.73%	101.68	Discounted
FR77	8.125	15-May-24	0.83	101.83	5.76%	5.82%	101.82	Premium
FR44	10.000	15-Sep-24	1.16	104.48	5.88%	5.89%	104.53	Fair
FR81	6.500	15-Jun-25	1.91	100.91	5.98%	5.87%	101.11	Discounted
FR40	11.000	15-Sep-25	2.16	110.25	5.84%	5.86%	110.27	Premium
FR84	7.250	15-Feb-26	2.58	103.46	5.78%	5.85%	103.31	Premium
FR86	5.500	15-Jun-26	2.91	99.09	5.86%	5.85%	99.08	Discounted
FR37	12.000	15-Sep-26	3.16	117.45	5.84%	5.85%	117.48	Premium
FR56	8.375	15-Sep-26	3.16	107.18	5.84%	5.85%	107.17	Premium
FR90	5.125	15-Apr-27	3.74	97.98	5.73%	5.88%	97.48	Premium
FR59	7.000	15-May-27	3.83	103.50	5.95%	5.89%	103.75	Discounted
FR42	10.250	15-Jul-27	3.99	114.83	6.00%	5.90%	115.27	Discounted
FR47	10.000	15-Feb-28	4.58	115.96	5.95%	5.95%	116.01	Fair
FR64	6.125	15-May-28	4.83	100.44	6.02%	5.97%	100.62	Discounted
FR95	6.375	15-Aug-28	5.08	102.24	5.86%	6.00%	101.63	Premium
FR71	9.000	15-Mar-29	5.66	113.89	6.05%	6.05%	113.94	Fair
FR78	8.250	15-May-29	5.83	110.20	6.13%	6.07%	110.56	Discounted
FR52	10.500	15-Aug-30	7.08	123.80	6.27%	6.18%	124.48	Discounted
FR82	7.000	15-Sep-30	7.16	104.18	6.26%	6.18%	104.66	Discounted
FR87	6.500	15-Feb-31	7.58	101.35	6.27%	6.22%	101.69	Discounted
FR85	7.750	15-Apr-31	7.74	108.91	6.27%	6.23%	109.23	Discounted
FR73	8.750	15-May-31	7.83	115.09	6.27%	6.23%	115.38	Discounted
FR54	9.500	15-Jul-31	7.99	120.41	6.22%	6.25%	120.23	Premium
FR91	6.375	15-Apr-32	8.74	100.95	6.23%	6.29%	100.52	Premium
FR58	8.250	15-Jun-32	8.91	112.78	6.35%	6.30%	113.10	Discounted
FR74	7.500	15-Aug-32	9.08	108.04	6.32%	6.31%	108.09	Fair
FR96	7.000	15-Feb-33	9.58	105.74	6.19%	6.34%	104.66	Premium
FR65	6.625	15-May-33	9.83	102.34	6.30%	6.36%	101.93	Premium
FR68	8.375	15-Mar-34	10.66	115.71	6.32%	6.40%	115.11	Premium
FR80	7.500	15-Jun-35	11.91	109.09	6.40%	6.45%	108.66	Premium
FR72	8.250	15-May-36	12.83	115.53	6.45%	6.48%	115.27	Premium
FR88	6.250	15-Jun-36	12.91	99.96	6.25%	6.48%	98.00	Premium
FR45	9.750	15-May-37	13.83	122.92	7.11%	6.51%	129.26	Discounted
FR93	6.375	15-Jul-37	13.99	100.13	6.36%	6.51%	98.76	Premium
FR75	7.500	15-May-38	14.83	109.47	6.49%	6.53%	109.08	Premium
FR50	10.500	15-Jul-38	14.99	136.78	6.60%	6.54%	137.51	Discounted
FR98	7.125	15-Jun-38	14.91	107.63	6.33%	6.53%	105.56	Premium
FR79	8.375	15-Apr-39	15.74	117.70	6.55%	6.55%	117.71	Fair
FR83	7.500	15-Apr-40	16.74	108.73	6.63%	6.57%	109.31	Discounted
FR57	9.500	15-May-41	17.83	129.50	6.65%	6.59%	130.20	Discounted
FR62	6.375	15-Apr-42	18.74	98.35	6.53%	6.61%	97.51	Premium
FR92	7.125	15-Jun-42	18.91	105.64	6.60%	6.61%	105.51	Premium
FR97	7.125	15-Jun-43	19.91	107.94	6.41%	6.62%	105.49	Premium
FR67	8.750	15-Feb-44	20.58	121.60	6.79%	6.63%	123.58	Discounted
FR76	7.375	15-May-48	24.83	106.71	6.81%	6.68%	108.40	Discounted
FR89	6.875	15-Aug-51	28.08	102.29	6.69%	6.70%	102.18	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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