

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,757.33	+0.57
STI	3,150.43	-1.10
HSI	18,533.05	-3.02
SSEC	3,205.58	-0.54
FTSE	7,280.50	-2.17
GDAX	15,528.54	-2.57
DJI	33,922.26	-1.07
S&P 500	4,411.59	-0.79
NDX	13,679.04	-0.82

10-yr Bond	Last	Bps
ID	6.18	+2.16
US	4.03	+9.76
UK	4.66	+16.60
JP	0.41	+2.20
CN	2.64	-0.00
MY	3.89	-0.30
TH	2.53	+1.10

Exchange Rate	Last	%
USD/IDR	15,045	+0.20%
EUR/IDR	16,354	-0.06%
GBP/IDR	19,133	+0.18%
HKD/IDR	1,926	+0.36%
SGD/IDR	11,135	+0.20%
AUD/IDR	10,042	+0.22%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	85.74	+2.1
VIX	15.44	+8.9

Sources : Bloomberg, MNCS

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**Global Market Updates**

- Wall Street Indexes notched down further yesterday (Jul 6, 2023), with DJI closed -1.07% lower, S&P 500 slipped -0.79% and Nasdaq went down -0.82%.
- The market reacted negatively to ADP Research Institute's surprisingly strong labor market data release as the private sector created 497k jobs in Jun-2023 (vs consensus forecasts of 228k), which investors perceive to be a burgeoning inflation rate problem for the coming months and a sure-fire hawkish alarm.
- An even more dramatic response was observed from the fixed income asset class; the long-term 10-year treasury notes jumped almost 10 bps to 4.03% upon market closing, followed suit by the shorter-termed 2-year yield which rose by 5 bps. We also observe the VIX Index to bounce up +8.9% yesterday.
- Yields from across the globe also shot up; the 10-year UK Gilt soared by +16.6 bps to a 14-year high level, the German bund closed +14.9 bps higher and the Japanese govt' bonds saw a +2.2 bps hike.
- Markets have once again raised their wager of a rate hike to take place in this month's FOMC meeting; probabilities now discounted at 91.8% (vs 88.7% on the previous day), with an expected peak rate of 5.42% by Nov-2023.

**Domestic Market Updates**

- The global unrest pertaining inflation worries carried over to Indonesia and put a halt to the bonds' bull yesterday (Jul 6, 2023).
- Indonesia's benchmark 10-year LCY government bond (FR0096) value fell as its yield rebounded by 2 bps to 6.18%, followed by depreciation in other benchmark series.
- S&P maintained Indonesia's stable 'BBB' long-term and 'A-2' short-term sovereign credit rating on the back of rapid fiscal consolidations, solid revenue growth and well-registered policies.
- IDR weakened against most major currencies yesterday. It depreciated against the USD as the USD/IDR rate rose by +0.25% and closed at IDR15,045.

**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 6.10-6.30% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0081, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Jul 6, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	102.13	5.88%	102.17	5.87%
FR0096	10-year	105.85	6.18%	106.02	6.16%
FR0098	15-year	107.90	6.30%	107.93	6.30%
FR0097	20-year	107.81	6.42%	107.89	6.42%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 6, 2023)**

Rating	0.1	1	3	5	10
AAA	36.51	54.78	68.53	76.98	92.53
AA	60.94	105.12	130.00	149.31	186.23
A	159.79	215.78	258.31	291.04	353.37
BBB	330.89	395.97	453.22	502.59	592.79

Sources : IBPA, MNCS

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

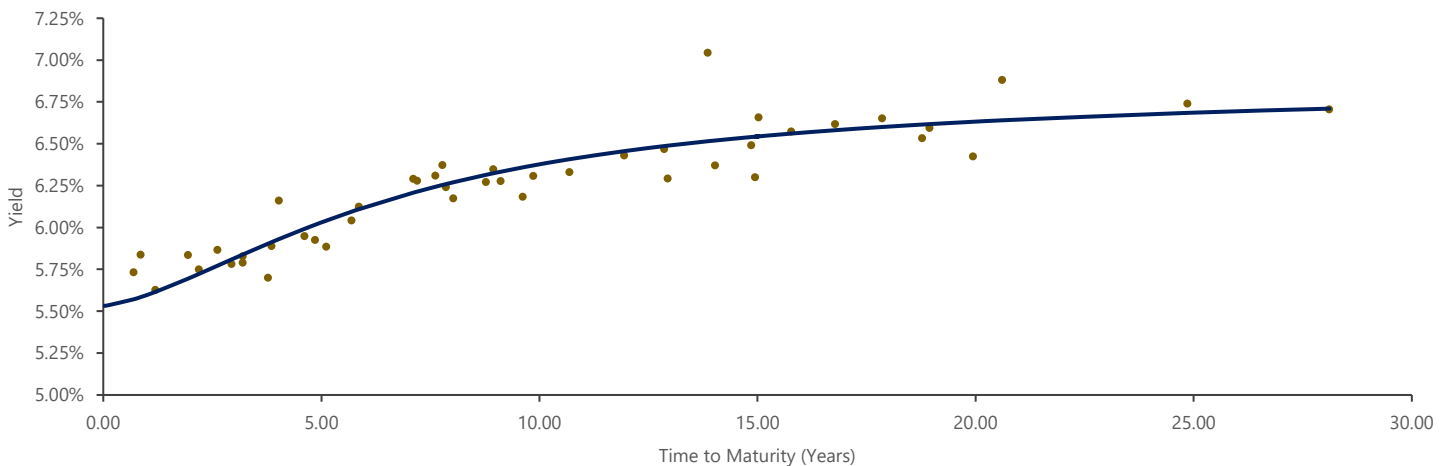
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43
Banks	33.51	33.24	31.93	29.82	31.72	31.06
Foreign	15.10	14.79	14.89	14.86	15.31	15.51
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50

Sources : DJPPR, MNCS

**Exhibit 06. LCY Government Bond Valuation (Jul 6, 2023)**

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.02	100.25	-8.34%	5.53%	100.09	Premium
FR39	11.750	15-Aug-23	0.11	100.78	3.70%	5.53%	100.65	Premium
FR70	8.375	15-Mar-24	0.69	101.73	5.73%	5.57%	101.87	Discounted
FR77	8.125	15-May-24	0.86	101.85	5.84%	5.58%	102.09	Discounted
FR44	10.000	15-Sep-24	1.20	104.92	5.63%	5.61%	104.98	Fair
FR81	6.500	15-Jun-25	1.94	101.20	5.83%	5.69%	101.46	Discounted
FR40	11.000	15-Sep-25	2.20	110.61	5.75%	5.72%	110.72	Fair
FR84	7.250	15-Feb-26	2.61	103.29	5.86%	5.77%	103.53	Fair
FR86	5.500	15-Jun-26	2.94	99.28	5.78%	5.81%	99.17	Fair
FR37	12.000	15-Sep-26	3.20	117.80	5.79%	5.84%	117.70	Fair
FR56	8.375	15-Sep-26	3.20	107.29	5.83%	5.84%	107.28	Fair
FR90	5.125	15-Apr-27	3.78	98.07	5.70%	5.90%	97.39	Premium
FR59	7.000	15-May-27	3.86	103.77	5.89%	5.91%	103.70	Fair
FR42	10.250	15-Jul-27	4.03	114.35	6.16%	5.93%	115.27	Discounted
FR47	10.000	15-Feb-28	4.61	116.09	5.95%	5.99%	115.93	Fair
FR64	6.125	15-May-28	4.86	100.83	5.92%	6.02%	100.45	Fair
FR95	6.375	15-Aug-28	5.11	102.13	5.88%	6.04%	101.45	Premium
FR71	9.000	15-Mar-29	5.69	114.04	6.04%	6.09%	113.79	Fair
FR78	8.250	15-May-29	5.86	110.31	6.12%	6.11%	110.41	Fair
FR52	10.500	15-Aug-30	7.11	123.80	6.29%	6.21%	124.37	Fair
FR82	7.000	15-Sep-30	7.20	104.11	6.28%	6.21%	104.50	Fair
FR87	6.500	15-Feb-31	7.61	101.14	6.31%	6.24%	101.53	Fair
FR85	7.750	15-Apr-31	7.78	108.33	6.37%	6.25%	109.09	Discounted
FR73	8.750	15-May-31	7.86	115.37	6.24%	6.26%	115.27	Fair
FR54	9.500	15-Jul-31	8.03	120.79	6.17%	6.27%	120.13	Fair
FR91	6.375	15-Apr-32	8.78	100.68	6.27%	6.31%	100.40	Fair
FR58	8.250	15-Jun-32	8.94	112.81	6.35%	6.32%	113.00	Fair
FR74	7.500	15-Aug-32	9.11	108.38	6.28%	6.33%	107.98	Fair
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.61</b>	<b>105.85</b>	<b>6.18%</b>	<b>6.36%</b>	<b>104.56</b>	Premium
FR65	6.625	15-May-33	9.86	102.30	6.31%	6.37%	101.84	Fair
FR68	8.375	15-Mar-34	10.69	115.69	6.33%	6.41%	115.05	Fair
FR80	7.500	15-Jun-35	11.94	108.81	6.43%	6.46%	108.60	Fair
FR72	8.250	15-May-36	12.86	115.38	6.47%	6.49%	115.22	Fair
FR88	6.250	15-Jun-36	12.94	99.63	6.29%	6.49%	97.93	Premium
FR45	9.750	15-May-37	13.86	123.68	7.04%	6.51%	129.23	Discounted
FR93	6.375	15-Jul-37	14.03	100.05	6.37%	6.52%	98.69	Premium
FR75	7.500	15-May-38	14.86	109.52	6.49%	6.54%	109.03	Fair
FR50	10.500	15-Jul-38	15.03	136.12	6.66%	6.54%	137.48	Discounted
FR98	7.125	15-Jun-38	14.94	107.90	6.30%	6.54%	105.50	Premium
FR79	8.375	15-Apr-39	15.78	117.51	6.57%	6.56%	117.66	Fair
FR83	7.500	15-Apr-40	16.78	108.86	6.62%	6.58%	109.25	Fair
FR57	9.500	15-May-41	17.86	129.50	6.65%	6.60%	130.15	Fair
FR62	6.375	15-Apr-42	18.78	98.29	6.53%	6.61%	97.44	Fair
FR92	7.125	15-Jun-42	18.94	105.70	6.59%	6.62%	105.44	Fair
FR97	7.125	15-Jun-43	19.94	107.81	6.42%	6.63%	105.42	Premium
FR67	8.750	15-Feb-44	20.61	120.43	6.88%	6.64%	123.50	Discounted
FR76	7.375	15-May-48	24.86	107.60	6.74%	6.68%	108.31	Fair
FR89	6.875	15-Aug-51	28.11	102.14	6.70%	6.71%	102.08	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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