

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,953.26	-0.19%
STI	3,233.30	+0.41%
HSI	18,382.06	-0.55%
SSEC	3,119.88	-0.55%
FTSE	7,439.13	-0.46%
GDAX	15,947.08	+0.35%
DJI	34,721.91	-0.48%
S&P 500	4,507.66	-0.16%
NDX	14,034.97	+0.11%

10-yr Bond	Last	Bps
ID	6.36	+0.41
US	4.09	-2.00
UK	4.36	-6.20
JP	0.65	-0.10
CN	2.58	-0.20
MY	3.84	-0.40
TH	2.76	-0.30

Exchange Rate	Last	%
USD/IDR	15,230	-0.07%
EUR/IDR	16,576	+0.12%
GBP/IDR	19,346	+0.47%
HKD/IDR	1,941	-0.04%
SGD/IDR	11,271	+0.14%
AUD/IDR	9,858	+0.13%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	81.31	-1.4%
VIX	13.57	-2.2%

Sources : Bloomberg, MNCS

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**Global Market Updates**

- Wall Street equities was mixed Thursday (Aug 31, 2023), with S&P 500 and DJI slipping 0.16% and 0.48%, while Nasdaq edged up 0.11%, respectively, as investors mainly took caution ahead of labor market readings Friday.
- US initial unemployment claims showed a decline of only 4k to 228k, or in other words, a stronger than expected labor market compared to the market's expectations of a rise to 235k.
- There were mixed signals from the labor market, however, when the continuing jobless claims increased by 28k to 1.73mn, compared to forecasts of 1.71mn.
- This was met by dovish-tilted comments from Fed's Bostic that officials should wait and see to prevent unnecessary damage as other indicators showed high rates have bitten into the economy.
- The 10-year UST yield fell by c. 2 bps to 4.09%, while the 2-year UST yield slipped c. 5 bps to 4.85%. The inverted 2s10s spread narrowed to -76 bps.
- Global bonds closed lower: UK 10-yr gilts fell 6.2 bps to 4.36%, German 10-yr bunds fell 7.9 bps to 2.47% and JGB 10-yr edged down 0.1 to remain at 0.65%.

**Domestic Market Updates**

- Indonesian benchmark series of LCY government bonds mainly appreciated Wednesday (Aug 31, 2023). The 10-year Indonesian government benchmark series (FR0096) yield edged up 0.4 bps, while most gains were seen from the short end series, with the 2-year Indo GB yield slipping 3.1 bps.
- The Indonesian gov't 2s10s bond curve further widened to 14 bps (vs 10 bps previously).
- As of Aug 28, on a WoW basis we saw a net inflow of IDR8.2tn into Indonesian gov't securities, led by inflows from the banking sector (IDR29.5tn) and insurance & pension funds (IDR7.3tn).
- In Aug 29 alone, Indonesian gov't securities recorded a daily net foreign inflow of IDR290bn, indicating a rekindling in foreign funds' interest.
- The IDR managed to slightly appreciate against the USD (USD/IDR ticked down 0.1%), following UST's sustained strengthening.

**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 6.30-6.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Aug 31, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.92	6.16%	100.45	6.25%
FR0096	10-year	104.48	6.36%	104.47	6.36%
FR0098	15-year	106.09	6.48%	105.71	6.50%
FR0097	20-year	105.48	6.62%	104.90	6.66%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 31, 2023)**

Rating	0.1	1	3	5	10
AAA	19.17	40.80	53.74	63.91	82.96
AA	57.97	95.40	126.39	151.95	183.55
A	147.52	200.66	248.60	290.73	352.05
BBB	344.62	404.58	456.04	506.01	594.76

Sources : IBPA, MNCS

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

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	15.78
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.50
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92	21.16

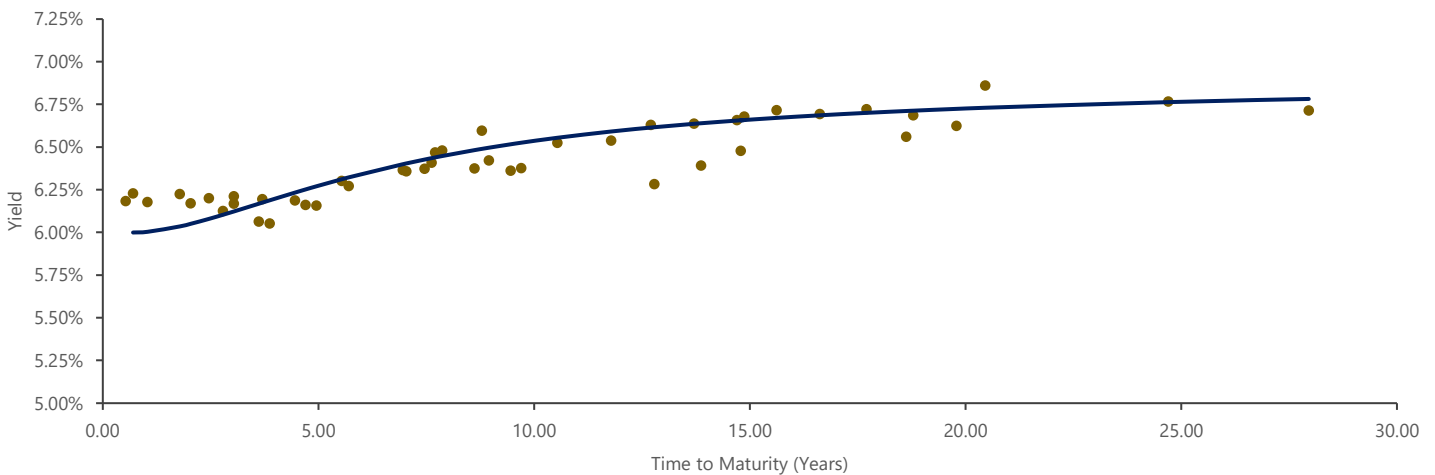
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Aug 31, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.54	101.12	6.18%	6.00%	101.24	Discounted
FR77	8.125	15-May-24	0.70	101.26	6.23%	6.00%	101.44	Discounted
FR44	10.000	15-Sep-24	1.04	103.76	6.18%	6.00%	103.97	Discounted
FR81	6.500	15-Jun-25	1.79	100.45	6.22%	6.03%	100.77	Discounted
FR40	11.000	15-Sep-25	2.04	109.08	6.17%	6.05%	109.37	Discounted
FR84	7.250	15-Feb-26	2.46	102.34	6.20%	6.08%	102.63	Discounted
FR86	5.500	15-Jun-26	2.79	98.51	6.13%	6.10%	98.47	Discounted
FR37	12.000	15-Sep-26	3.04	115.89	6.17%	6.12%	116.08	Discounted
FR56	8.375	15-Sep-26	3.04	105.89	6.21%	6.12%	106.16	Discounted
FR90	5.125	15-Apr-27	3.62	97.00	6.06%	6.17%	96.65	Premium
FR59	7.000	15-May-27	3.70	102.61	6.19%	6.17%	102.69	Discounted
FR42	10.250	15-Jul-27	3.87	114.25	6.05%	6.19%	113.79	Premium
FR47	10.000	15-Feb-28	4.46	114.62	6.19%	6.23%	114.46	Premium
FR64	6.125	15-May-28	4.71	99.85	6.16%	6.25%	99.48	Premium
FR95	6.375	15-Aug-28	4.96	100.92	6.16%	6.27%	100.44	Premium
FR71	9.000	15-Mar-29	5.54	112.44	6.30%	6.31%	112.41	Premium
FR78	8.250	15-May-29	5.71	109.34	6.27%	6.32%	109.10	Premium
FR52	10.500	15-Aug-30	6.96	122.91	6.37%	6.40%	122.73	Premium
FR82	7.000	15-Sep-30	7.04	103.60	6.36%	6.40%	103.34	Premium
FR87	6.500	15-Feb-31	7.46	100.74	6.37%	6.43%	100.43	Premium
FR85	7.750	15-Apr-31	7.62	107.98	6.41%	6.43%	107.82	Premium
FR73	8.750	15-May-31	7.70	113.66	6.47%	6.44%	113.86	Discounted
FR54	9.500	15-Jul-31	7.87	118.37	6.48%	6.45%	118.61	Discounted
FR91	6.375	15-Apr-32	8.62	100.00	6.37%	6.48%	99.30	Premium
FR58	8.250	15-Jun-32	8.79	110.89	6.59%	6.49%	111.64	Discounted
FR74	7.500	15-Aug-32	8.96	107.26	6.42%	6.50%	106.74	Premium
FR96	7.000	15-Feb-33	9.46	104.48	6.36%	6.52%	103.38	Premium
FR65	6.625	15-May-33	9.71	101.77	6.38%	6.52%	100.70	Premium
FR68	8.375	15-Mar-34	10.54	113.94	6.52%	6.55%	113.70	Premium
FR80	7.500	15-Jun-35	11.79	107.81	6.54%	6.59%	107.36	Premium
FR72	8.250	15-May-36	12.71	113.75	6.63%	6.61%	113.90	Discounted
FR88	6.250	15-Jun-36	12.79	99.71	6.28%	6.62%	96.87	Premium
FR45	9.750	15-May-37	13.71	127.71	6.64%	6.64%	127.74	Fair
FR93	6.375	15-Jul-37	13.87	99.85	6.39%	6.64%	97.62	Premium
FR75	7.500	15-May-38	14.70	107.81	6.66%	6.65%	107.84	Discounted
FR50	10.500	15-Jul-38	14.87	135.66	6.68%	6.66%	135.91	Discounted
FR98	7.125	15-Jun-38	14.79	106.09	6.48%	6.66%	104.36	Premium
FR79	8.375	15-Apr-39	15.62	115.89	6.72%	6.67%	116.38	Discounted
FR83	7.500	15-Apr-40	16.62	108.00	6.69%	6.69%	108.09	Discounted
FR57	9.500	15-May-41	17.71	128.50	6.72%	6.70%	128.77	Discounted
FR62	6.375	15-Apr-42	18.62	98.02	6.56%	6.71%	96.45	Premium
FR92	7.125	15-Jun-42	18.79	104.66	6.68%	6.71%	104.36	Premium
FR97	7.125	15-Jun-43	19.79	105.48	6.62%	6.72%	104.35	Premium
FR67	8.750	15-Feb-44	20.46	120.62	6.86%	6.73%	122.27	Discounted
FR76	7.375	15-May-48	24.71	107.25	6.77%	6.76%	107.29	Discounted
FR89	6.875	15-Aug-51	27.96	102.02	6.71%	6.78%	101.17	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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