

Exhibit 1. Daily Market Updates

| Equity | Last | % |
|---------|-----------|--------|
| JCI | 6,977.65 | +0.35% |
| STI | 3,233.30 | +0.41% |
| HSI | 18,382.06 | -0.55% |
| SSEC | 3,133.25 | +0.43% |
| FTSE | 7,464.54 | +0.34% |
| GDAX | 15,840.34 | -0.67% |
| DJI | 34,837.71 | +0.33% |
| S&P 500 | 4,515.77 | +0.18% |
| NDX | 14,031.81 | -0.02% |

| 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 | 15,240 | +0.07% |
| EUR/IDR | 16,537 | -0.23% |
| GBP/IDR | 19,317 | -0.15% |
| HKD/IDR | 1,943 | +0.08% |
| SGD/IDR | 11,287 | +0.14% |
| AUD/IDR | 9,863 | +0.06% |

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

| Category | Last | % |
|----------|-------|-------|
| 5-yr CDS | 79.91 | -1.7% |
| VIX | 13.57 | -2.2% |

Sources : Bloomberg, MNCS

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Global Market Updates

- Friday's US employment data reading showed that the beginning of the end of a tight labor market has started, with the unemployment rate reaching levels last seen in Feb-22 (3.8% vs consensus of 3.5%).
- The 10-year UST yield shot up by almost 9 bps to 4.18%, following strong ISM manufacturing PMI readings (47.6 vs consensus of 47) and solid growth in non-farm payrolls (187k vs consensus of 170k) that tempered optimism surrounding cooling labor market data.
- At the same time, the 2-year UST yield gained c. 2 bps to 4.87%. The inverted 2s10s spread shrank to -69 bps.
- Going forward, however, the Fed is seen to likely hold rates where they are at, as reflected by the 50% chance in interest swap rates for Nov-23, and a fully priced in rate cut to commence in Jul-24.
- Given this prospect, the front end yields are looking at bull runs ahead, with stocks to gain benefit as well.

Domestic Market Updates

- Short-end Indonesian benchmark series of LCY government bonds ended higher Friday (Sep 1, 2023). The 5-yr benchmark series posted the most gain with its yield plummeting by 3 bps, whereas the 10-yr benchmark series yield edged up 1 bps.
- We see the short-end bond to receive bullish rate hold sentiments from the US, and the longer terms to remain sideways if the narrative persists towards the end of the year.
- The Indonesian gov't 2s10s yield curve further widened to stood flat at 21 bps as of Sep 1, 2023.
- IDR closed mixed against world major currencies, depreciating against the USD (USD/IDR ticked up 0.1%).

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 (Sep 1, 2023)

| Series | Benchmark | Last Price | YTM | -1D Price | -1D YTM |
|--------|-----------|------------|-------|-----------|---------|
| FR0095 | 5-year | 101.04 | 6.13% | 100.92 | 6.16% |
| FR0096 | 10-year | 104.43 | 6.37% | 104.48 | 6.36% |
| FR0098 | 15-year | 106.17 | 6.47% | 106.09 | 6.48% |
| FR0097 | 20-year | 105.66 | 6.61% | 105.48 | 6.62% |

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Sep 1, 2023)

| Rating | 0.1 | 1 | 3 | 5 | 10 |
|--------|--------|--------|--------|--------|--------|
| AAA | 19.93 | 40.63 | 53.22 | 63.60 | 82.50 |
| AA | 57.01 | 92.82 | 124.09 | 149.59 | 184.08 |
| A | 146.14 | 198.92 | 248.00 | 292.55 | 350.55 |
| BBB | 342.77 | 402.83 | 453.40 | 503.78 | 599.23 |

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 |

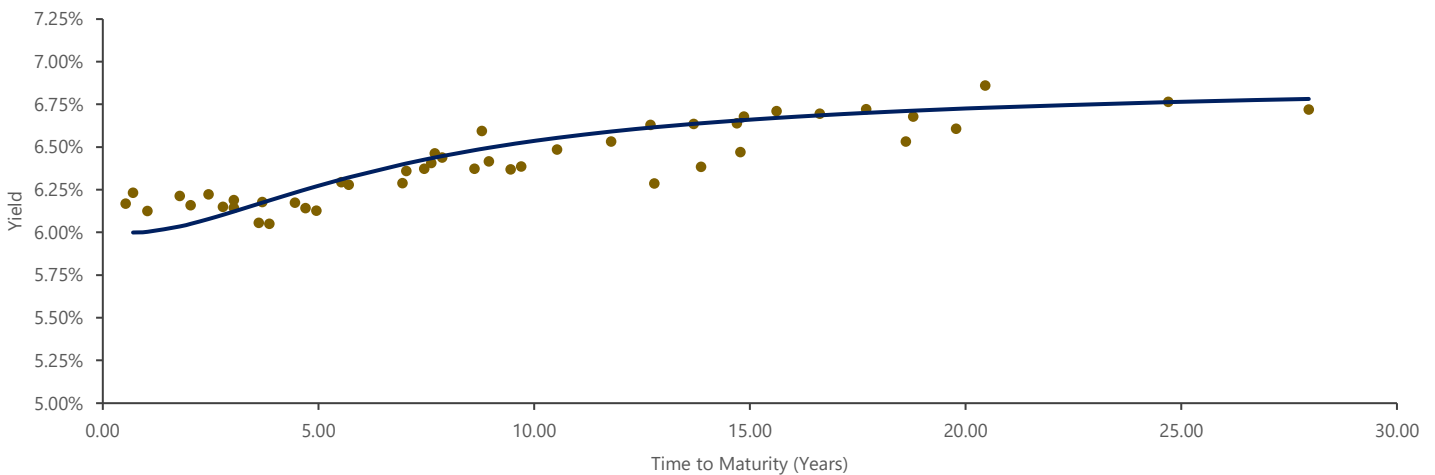
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Sep 1, 2023)

| Series | Coupon | Maturity | TTM | Last Price | YTM | Yield Curve | Fair Price | Notes |
|--------|--------|-----------|-------|------------|-------|-------------|------------|------------|
| FR70 | 8.375 | 15-Mar-24 | 0.54 | 101.13 | 6.17% | 6.00% | 101.24 | Discounted |
| FR77 | 8.125 | 15-May-24 | 0.70 | 101.25 | 6.23% | 6.00% | 101.43 | Discounted |
| FR44 | 10.000 | 15-Sep-24 | 1.04 | 103.80 | 6.12% | 6.00% | 103.96 | Discounted |
| FR81 | 6.500 | 15-Jun-25 | 1.79 | 100.46 | 6.21% | 6.03% | 100.77 | Discounted |
| FR40 | 11.000 | 15-Sep-25 | 2.04 | 109.09 | 6.16% | 6.05% | 109.35 | Discounted |
| FR84 | 7.250 | 15-Feb-26 | 2.46 | 102.29 | 6.22% | 6.08% | 102.63 | Discounted |
| FR86 | 5.500 | 15-Jun-26 | 2.79 | 98.45 | 6.15% | 6.10% | 98.47 | Discounted |
| FR37 | 12.000 | 15-Sep-26 | 3.04 | 115.96 | 6.14% | 6.12% | 116.07 | Discounted |
| FR56 | 8.375 | 15-Sep-26 | 3.04 | 105.95 | 6.19% | 6.12% | 106.16 | Discounted |
| FR90 | 5.125 | 15-Apr-27 | 3.62 | 97.02 | 6.06% | 6.17% | 96.66 | Premium |
| FR59 | 7.000 | 15-May-27 | 3.70 | 102.67 | 6.18% | 6.17% | 102.69 | Fair |
| FR42 | 10.250 | 15-Jul-27 | 3.87 | 114.25 | 6.05% | 6.19% | 113.78 | Premium |
| FR47 | 10.000 | 15-Feb-28 | 4.46 | 114.66 | 6.17% | 6.23% | 114.45 | Premium |
| FR64 | 6.125 | 15-May-28 | 4.70 | 99.92 | 6.14% | 6.25% | 99.48 | Premium |
| FR95 | 6.375 | 15-Aug-28 | 4.95 | 101.04 | 6.13% | 6.27% | 100.44 | Premium |
| FR71 | 9.000 | 15-Mar-29 | 5.54 | 112.47 | 6.29% | 6.31% | 112.41 | Premium |
| FR78 | 8.250 | 15-May-29 | 5.70 | 109.30 | 6.28% | 6.32% | 109.10 | Premium |
| FR52 | 10.500 | 15-Aug-30 | 6.95 | 123.40 | 6.29% | 6.40% | 122.73 | Premium |
| FR82 | 7.000 | 15-Sep-30 | 7.04 | 103.59 | 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 | 107.99 | 6.41% | 6.43% | 107.82 | Premium |
| FR73 | 8.750 | 15-May-31 | 7.70 | 113.68 | 6.46% | 6.44% | 113.85 | Discounted |
| FR54 | 9.500 | 15-Jul-31 | 7.87 | 118.65 | 6.44% | 6.45% | 118.60 | Premium |
| FR91 | 6.375 | 15-Apr-32 | 8.62 | 100.02 | 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 | 8.95 | 107.29 | 6.42% | 6.50% | 106.74 | Premium |
| FR96 | 7.000 | 15-Feb-33 | 9.46 | 104.43 | 6.37% | 6.52% | 103.38 | Premium |
| FR65 | 6.625 | 15-May-33 | 9.70 | 101.70 | 6.39% | 6.52% | 100.70 | Premium |
| FR68 | 8.375 | 15-Mar-34 | 10.54 | 114.25 | 6.49% | 6.55% | 113.70 | Premium |
| FR80 | 7.500 | 15-Jun-35 | 11.79 | 107.86 | 6.53% | 6.59% | 107.36 | Premium |
| FR72 | 8.250 | 15-May-36 | 12.70 | 113.75 | 6.63% | 6.61% | 113.90 | Discounted |
| FR88 | 6.250 | 15-Jun-36 | 12.79 | 99.67 | 6.29% | 6.62% | 96.87 | Premium |
| FR45 | 9.750 | 15-May-37 | 13.70 | 127.72 | 6.64% | 6.64% | 127.73 | Fair |
| FR93 | 6.375 | 15-Jul-37 | 13.87 | 99.91 | 6.38% | 6.64% | 97.63 | Premium |
| FR75 | 7.500 | 15-May-38 | 14.70 | 108.00 | 6.64% | 6.65% | 107.84 | Premium |
| 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 | 106.17 | 6.47% | 6.66% | 104.36 | Premium |
| FR79 | 8.375 | 15-Apr-39 | 15.62 | 115.94 | 6.71% | 6.67% | 116.38 | Discounted |
| FR83 | 7.500 | 15-Apr-40 | 16.62 | 108.00 | 6.69% | 6.68% | 108.09 | Discounted |
| FR57 | 9.500 | 15-May-41 | 17.70 | 128.50 | 6.72% | 6.70% | 128.77 | Discounted |
| FR62 | 6.375 | 15-Apr-42 | 18.62 | 98.32 | 6.53% | 6.71% | 96.46 | Premium |
| FR92 | 7.125 | 15-Jun-42 | 18.79 | 104.73 | 6.68% | 6.71% | 104.36 | Premium |
| FR97 | 7.125 | 15-Jun-43 | 19.79 | 105.66 | 6.61% | 6.72% | 104.35 | Premium |
| FR67 | 8.750 | 15-Feb-44 | 20.46 | 120.61 | 6.86% | 6.73% | 122.27 | Discounted |
| FR76 | 7.375 | 15-May-48 | 24.70 | 107.28 | 6.76% | 6.76% | 107.29 | Fair |
| FR89 | 6.875 | 15-Aug-51 | 27.95 | 101.96 | 6.72% | 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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