

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,996.75	+0.27%
STI	3,238.97	+0.18%
HSI	18,844.16	+2.51%
SSEC	3,177.06	+1.40%
FTSE	7,494.47	+0.40%
GDAX	15,915.87	+0.48%
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	-0.80
US	4.18	+0.00
UK	4.44	+0.80
JP	0.64	+1.10
CN	2.65	+2.80
MY	3.84	+0.30
TH	2.78	+1.80

Exchange Rate	Last	%
USD/IDR	15,240	+0.00%
EUR/IDR	16,452	-0.51%
GBP/IDR	19,246	-0.37%
HKD/IDR	1,945	+0.11%
SGD/IDR	11,253	-0.30%
AUD/IDR	9,850	-0.13%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	78.73	-0.84%
VIX	13.60	3.9%

Sources : Bloomberg, MNCS

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Global Market Updates

- US markets was closed Monday in commemoration of Labor Day. Following the public holiday, the US markets should be looking at increased trading volumes post summer-trading lags, with higher volatilities to likely accompany it as well.
- Market sentiments are currently hinged on the sentiment that the Fed is unlikely to raise their interest rates any further this year (93%, 61.9% and 59.5% probability of rate holds in Sep, Nov and Dec-23 FOMC meetings), given indications of a steadily cooling labor market.
- China's distressed property sector is bound to receive a boost from announcement that down-payment thresholds would be lowered. The country's real estate equity index compiled by Bloomberg jumped 8.7% yesterday, indicating improved sentiments amid upbeat home sales data in Shanghai and Beijing over the weekend.
- Appetite for 10-yr and 30-yr Japanese GBs will be put to the test in this week's key auction. Japan's MoF plans to sell JPY2.7tn (USD18.4tn) of 10-yr bonds and JPY900bn of 30-yr. Their demands have been sluggish the past month as domestic pensions funds and insurance funds have yet to offload foreign positions, seeking higher JGB yields.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds mostly ended higher Monday (Sep 4, 2023). The 10-yr benchmark series yield remained relatively muted at 6.36%.
- The shorter end bonds saw the most gains, with the 5-yr benchmark series yield plummeting by 5 bps to 6.08%, and the 2-yr bonds slipping 1 bps to 6.15%. The 2s10s yield curve stood flat at 21 bps as of Sep 4, 2023.
- The government securities auction held today will feature 7 re-openings, including SPN12231207, SPN12240529, FR0095, FR0100, FR0098, FR0097 and FR0089 with the same indicative/maximum target of IDR14tn/IDR21tn.
- We view that today's auction could outperform last auction's total bids of IDR34.6tn, while being heavily leaned towards the short ended yields given the sentiment that interest rates are going nowhere for some time and their still relatively discounted valuation.
- IDR closed mixed against world major currencies, standing flat against the USD (USD/IDR movements was muted yesterday).

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 4, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.26	6.08%	101.04	6.13%
FR0096	10-year	104.49	6.36%	104.43	6.37%
FR0098	15-year	106.28	6.46%	106.17	6.47%
FR0097	20-year	105.76	6.60%	105.66	6.61%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	20.74	40.42	52.75	63.29	82.09
AA	56.07	90.23	121.81	147.27	184.64
A	144.76	197.17	247.41	294.41	349.09
BBB	340.92	401.09	450.75	501.58	603.68

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (Aug 31, 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	16.08
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14
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	21.20

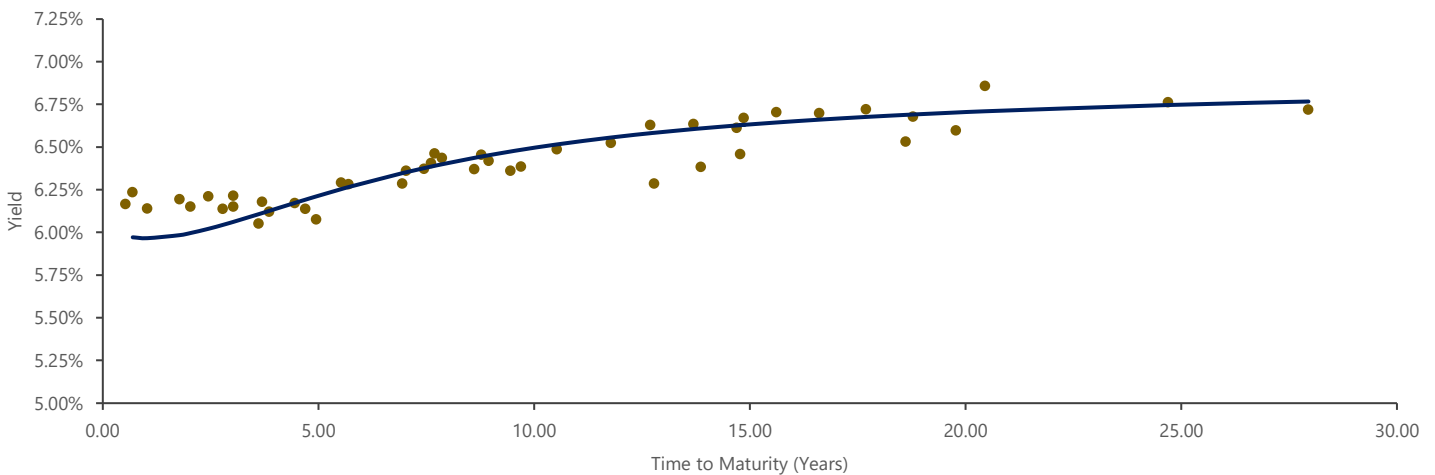
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Sep 4, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.53	101.12	6.17%	5.98%	101.23	Discounted
FR77	8.125	15-May-24	0.69	101.24	6.24%	5.97%	101.43	Discounted
FR44	10.000	15-Sep-24	1.03	103.78	6.14%	5.97%	103.97	Discounted
FR81	6.500	15-Jun-25	1.78	100.49	6.19%	5.98%	100.85	Discounted
FR40	11.000	15-Sep-25	2.03	109.10	6.15%	6.00%	109.43	Discounted
FR84	7.250	15-Feb-26	2.45	102.32	6.21%	6.02%	102.75	Discounted
FR86	5.500	15-Jun-26	2.78	98.48	6.14%	6.04%	98.62	Discounted
FR37	12.000	15-Sep-26	3.03	115.92	6.15%	6.06%	116.21	Discounted
FR56	8.375	15-Sep-26	3.03	105.87	6.21%	6.06%	106.31	Discounted
FR90	5.125	15-Apr-27	3.61	97.03	6.05%	6.11%	96.85	Premium
FR59	7.000	15-May-27	3.69	102.66	6.18%	6.11%	102.88	Discounted
FR42	10.250	15-Jul-27	3.86	113.98	6.12%	6.13%	113.98	Premium
FR47	10.000	15-Feb-28	4.45	114.66	6.17%	6.17%	114.68	Fair
FR64	6.125	15-May-28	4.69	99.94	6.14%	6.19%	99.72	Premium
FR95	6.375	15-Aug-28	4.95	101.26	6.08%	6.21%	100.69	Premium
FR71	9.000	15-Mar-29	5.53	112.47	6.29%	6.25%	112.67	Discounted
FR78	8.250	15-May-29	5.69	109.28	6.28%	6.27%	109.37	Discounted
FR52	10.500	15-Aug-30	6.95	123.40	6.29%	6.35%	123.03	Premium
FR82	7.000	15-Sep-30	7.03	103.57	6.36%	6.35%	103.62	Discounted
FR87	6.500	15-Feb-31	7.45	100.75	6.37%	6.38%	100.72	Premium
FR85	7.750	15-Apr-31	7.61	107.99	6.40%	6.39%	108.12	Discounted
FR73	8.750	15-May-31	7.69	113.68	6.46%	6.39%	114.16	Discounted
FR54	9.500	15-Jul-31	7.86	118.65	6.44%	6.40%	118.91	Discounted
FR91	6.375	15-Apr-32	8.61	100.02	6.37%	6.44%	99.59	Premium
FR58	8.250	15-Jun-32	8.78	111.87	6.45%	6.44%	111.95	Discounted
FR74	7.500	15-Aug-32	8.95	107.26	6.42%	6.45%	107.04	Premium
FR96	7.000	15-Feb-33	9.45	104.49	6.36%	6.47%	103.67	Premium
FR65	6.625	15-May-33	9.69	101.70	6.39%	6.48%	100.99	Premium
FR68	8.375	15-Mar-34	10.53	114.24	6.49%	6.51%	114.01	Premium
FR80	7.500	15-Jun-35	11.78	107.92	6.52%	6.56%	107.65	Premium
FR72	8.250	15-May-36	12.69	113.75	6.63%	6.58%	114.20	Discounted
FR88	6.250	15-Jun-36	12.78	99.67	6.29%	6.58%	97.14	Premium
FR45	9.750	15-May-37	13.69	127.72	6.64%	6.60%	128.04	Discounted
FR93	6.375	15-Jul-37	13.86	99.91	6.38%	6.61%	97.89	Premium
FR75	7.500	15-May-38	14.69	108.25	6.61%	6.63%	108.11	Premium
FR50	10.500	15-Jul-38	14.86	135.73	6.67%	6.63%	136.22	Discounted
FR98	7.125	15-Jun-38	14.78	106.28	6.46%	6.63%	104.63	Premium
FR79	8.375	15-Apr-39	15.61	116.01	6.70%	6.64%	116.66	Discounted
FR83	7.500	15-Apr-40	16.61	107.96	6.70%	6.66%	108.36	Discounted
FR57	9.500	15-May-41	17.69	128.50	6.72%	6.68%	129.05	Discounted
FR62	6.375	15-Apr-42	18.61	98.32	6.53%	6.69%	96.69	Premium
FR92	7.125	15-Jun-42	18.78	104.73	6.68%	6.69%	104.60	Premium
FR97	7.125	15-Jun-43	19.78	105.76	6.60%	6.70%	104.59	Premium
FR67	8.750	15-Feb-44	20.45	120.62	6.86%	6.71%	122.52	Discounted
FR76	7.375	15-May-48	24.69	107.31	6.76%	6.75%	107.50	Discounted
FR89	6.875	15-Aug-51	27.95	101.96	6.72%	6.77%	101.35	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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