

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,922.19	+0.45%
STI	3,199.07	+1.03%
HSI	17,664.73	+0.84%
SSEC	3,075.24	-0.70%
FTSE	7,628.21	+1.82%
GDAX	15,423.52	+1.95%
DJI	33,739.30	+0.40%
S&P 500	4,358.24	+0.52%
NDX	13,562.84	+0.58%

10-yr Bond	Last	Bps
ID	6.95	-5.18
US	4.66	-14.4
UK	4.43	-5.00
JP	0.77	-1.00
CN	2.69	+0.20
MY	4.07	-1.40
TH	3.32	-2.10

Exchange Rate	Last	%
USD/IDR	15,735	+0.29%
EUR/IDR	16,656	-0.14%
GBP/IDR	19,309	+0.05%
HKD/IDR	2,013	-0.01%
SGD/IDR	11,535	+0.06%
AUD/IDR	10,135	+0.31%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	97.86	-2.7%
VIX	17.03	-3.8%

Sources : Bloomberg, MNCS

Research Analyst

 Alif Ihsanario
 alif.ihsanario@mncgroup.com

Global Market Updates

- Global equity indexes mainly continued its rally Tuesday (Oct 10, 2023), with US equity indexes closing higher supported by echoes of rate pause sentiments, after Fed's Bostic dovish remark yesterday, as well as soothing news of mulled stimulatory policies from the gov't of China.
- Upon resuming trade, US Treasuries saw the capped FFR prospect materialize, with the 10-yr UST notes plummeting 14.4 bps to 4.66%, and the 2-yr notes to tag along and fall 12 bps, rendering the 2s10s inverted spread to widen to -33 bps.
- The front-end of the curve is indicated to lag in demand, as the 3-yr UST notes auction of USD46bn struggled with a bid-to-cover ratio of 2.56, weaker than the 10-yr auction average of 2.72.
- Global yields was mainly subdued, with the German 10-yr bund yield remaining flat at 2.77%, the UK 10-yr gilt yield falling 5 bps to 4.43%, followed by the Japanese 10-yr GB that had fallen down to 0.77%.
- Policymakers of China mulls on unleashing an additional barrage of issuance of at least CNY1tn or equivalent to USD137bn of sovereign debt to kickstart its economy (predominantly through infrastructure projects) to meet its growth target, trimming on the unemployment rates, all while allowing the budget deficit to likely well exceed its limit of 3% cap set in Mar-23.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds posted further gains Monday (Oct 10, 2023), following encouraging global yields movement. The 10-yr benchmark series yield fell 5.2 bps to 6.95%. The 2s10s Indo GB spread narrowed to 57 bps.
- IDR weakened against most global major currencies, depreciating against the USD (USD/IDR jumped 0.29% to 15,735).
- The Chinese fresh round of stimulus should help galvanize IDR going forward, as the aforementioned intended allocation towards infrastructure projects will spark basic materials demand of which Indonesia will have space to fill in.
- There was lackluster demand in yesterday's sharia gov't securities auction, with an incoming bid of only IDR10.8tn and total awarded bids of only IDR5tn, a lower bid-to-cover of 1.12 (vs last auction's 1.89) for the in-demand short-term PBS036 and its higher average awarded yield of 6.39% (vs last 6.24%).
- Current market conditions seem conducive for a strong rally in bonds, accompanied by a considerable retreat in the 5-yr CDS by 2.7% to 97.86 after having touched the 1% ceiling.

Market Forecast

- Given the recent developments that unfolded within the global and domestic markets, we expect the 10-yr Indo GB yield to move within the range of 6.80-6.90% for today.
- Attractive Indo GB series to be traded today : FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Oct 10, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	98.58	6.72%	98.37	6.77%
FR0096	10-year	100.34	6.95%	99.99	7.00%
FR0098	15-year	99.70	7.16%	99.54	7.17%
FR0097	20-year	100.62	7.06%	100.54	7.07%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Oct 10, 2023)

Rating	0.1	1	3	5	10
AAA	21.49	38.07	48.07	62.82	84.99
AA	48.85	78.07	104.58	129.83	168.44
A	145.54	203.08	256.00	295.20	348.97
BBB	341.89	390.68	446.40	504.10	595.76

Sources : IBPA, MNCS

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

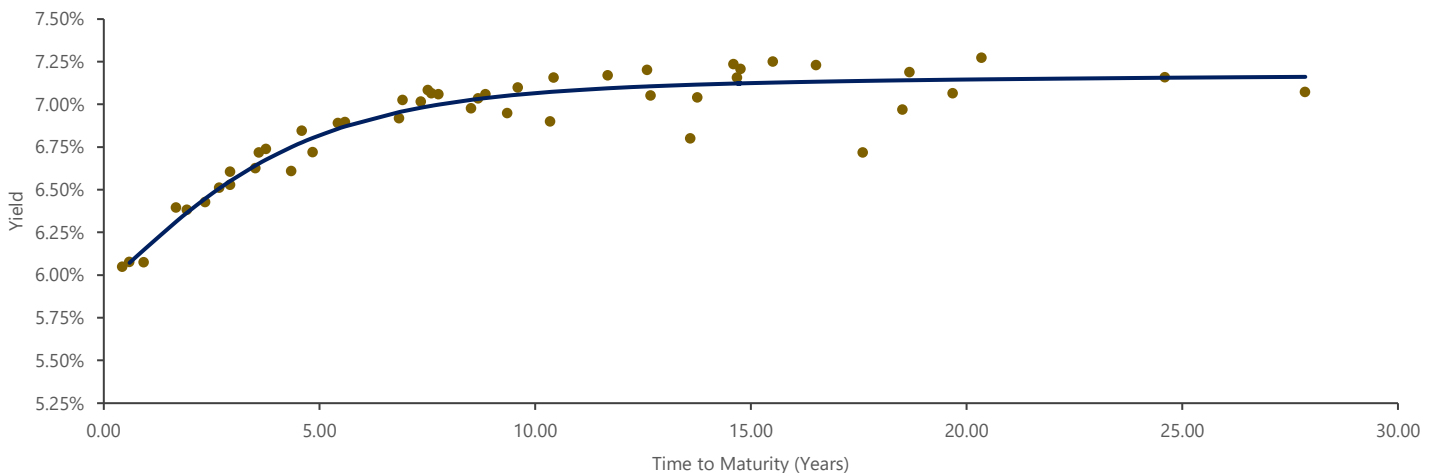
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92	21.20	21.66

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Oct 10, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.43	100.95	6.05%	6.03%	100.97	Fair
FR77	8.125	15-May-24	0.60	101.17	6.08%	6.07%	101.18	Fair
FR44	10.000	15-Sep-24	0.93	103.47	6.07%	6.15%	103.43	Premium
FR81	6.500	15-Jun-25	1.68	100.15	6.39%	6.31%	100.28	Discounted
FR40	11.000	15-Sep-25	1.93	108.23	6.38%	6.37%	108.29	Fair
FR84	7.250	15-Feb-26	2.35	101.75	6.43%	6.45%	101.71	Fair
FR86	5.500	15-Jun-26	2.68	97.70	6.51%	6.51%	97.55	Fair
FR37	12.000	15-Sep-26	2.93	114.35	6.53%	6.55%	114.31	Fair
FR56	8.375	15-Sep-26	2.93	104.63	6.61%	6.55%	104.78	Discounted
FR90	5.125	15-Apr-27	3.51	95.37	6.63%	6.64%	95.31	Fair
FR59	7.000	15-May-27	3.60	100.88	6.72%	6.65%	101.08	Discounted
FR42	10.250	15-Jul-27	3.76	111.47	6.74%	6.68%	111.70	Discounted
FR47	10.000	15-Feb-28	4.35	112.61	6.61%	6.75%	112.05	Premium
FR64	6.125	15-May-28	4.60	97.20	6.85%	6.78%	97.45	Discounted
FR95	6.375	15-Aug-28	4.85	98.58	6.72%	6.80%	98.24	Premium
FR71	9.000	15-Mar-29	5.43	109.41	6.89%	6.86%	109.57	Fair
FR78	8.250	15-May-29	5.60	106.19	6.90%	6.87%	106.31	Fair
FR52	10.500	15-Aug-30	6.85	119.24	6.92%	6.95%	119.04	Fair
FR82	7.000	15-Sep-30	6.93	99.86	7.03%	6.96%	100.21	Discounted
FR87	6.500	15-Feb-31	7.35	97.07	7.02%	6.98%	97.26	Fair
FR85	7.750	15-Apr-31	7.51	103.83	7.08%	6.99%	104.40	Discounted
FR73	8.750	15-May-31	7.60	109.77	7.06%	6.99%	110.22	Discounted
FR54	9.500	15-Jul-31	7.76	114.38	7.06%	7.00%	114.77	Discounted
FR91	6.375	15-Apr-32	8.51	96.19	6.98%	7.03%	95.88	Premium
FR58	8.250	15-Jun-32	8.68	107.77	7.04%	7.03%	107.80	Fair
FR74	7.500	15-Aug-32	8.85	102.86	7.06%	7.04%	103.00	Fair
FR96	7.000	15-Feb-33	9.35	100.34	6.95%	7.05%	99.64	Premium
FR65	6.625	15-May-33	9.60	96.74	7.10%	7.06%	97.02	Fair
FR100	6.625	15-Feb-34	10.35	97.98	6.90%	7.07%	103.99	Premium
FR68	8.375	15-Mar-34	10.43	108.84	7.16%	7.07%	109.47	Discounted
FR80	7.500	15-Jun-35	11.68	102.57	7.17%	7.09%	103.17	Discounted
FR72	8.250	15-May-36	12.60	108.58	7.20%	7.10%	109.42	Discounted
FR88	6.250	15-Jun-36	12.68	93.35	7.05%	7.11%	92.91	Premium
FR45	9.750	15-May-37	13.60	125.88	6.80%	7.11%	122.71	Premium
FR93	6.375	15-Jul-37	13.76	94.18	7.04%	7.12%	93.55	Premium
FR75	7.500	15-May-38	14.60	102.36	7.23%	7.12%	103.39	Discounted
FR50	10.500	15-Jul-38	14.76	129.59	7.21%	7.12%	130.52	Discounted
FR98	7.125	15-Jun-38	14.68	99.70	7.16%	7.12%	100.01	Fair
FR79	8.375	15-Apr-39	15.51	110.38	7.25%	7.13%	111.60	Discounted
FR83	7.500	15-Apr-40	16.51	102.57	7.23%	7.13%	103.53	Discounted
FR57	9.500	15-May-41	17.60	128.45	6.72%	7.14%	123.45	Premium
FR62	6.375	15-Apr-42	18.51	93.87	6.97%	7.14%	92.20	Premium
FR92	7.125	15-Jun-42	18.68	99.35	7.19%	7.14%	99.82	Fair
FR97	7.125	15-Jun-43	19.68	100.62	7.06%	7.14%	99.78	Premium
FR67	8.750	15-Feb-44	20.35	115.55	7.27%	7.15%	117.05	Discounted
FR76	7.375	15-May-48	24.60	102.48	7.16%	7.16%	102.51	Fair
FR89	6.875	15-Aug-51	27.85	97.61	7.07%	7.16%	96.56	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

PT MNC SEKURITAS

MNC Financial Center Lt. 14 – 16
Jl. Kebon Sirih No. 21 - 27, Jakarta Pusat 10340
Telp : (021) 2980 3111
Fax : (021) 3983 6899
Call Center : 1500 899

Disclaimer

This research report has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.