

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,931.75	+0.14%
STI	3,192.87	-0.19%
HSI	17,893.10	+1.29%
SSEC	3,078.96	+0.12%
FTSE	7,620.03	-0.11%
GDAX	15,460.01	+0.24%
DJI	33,804.87	+0.19%
S&P 500	4,376.95	+0.43%
NDX	13,659.68	+0.71%

10-yr Bond	Last	Bps
ID	6.85	-10.0
US	4.58	-18.0
UK	4.33	-9.80
JP	0.77	-1.40
CN	2.70	+1.00
MY	4.05	-2.00
TH	3.32	-2.10

Exchange Rate	Last	%
USD/IDR	15,693	-0.27%
EUR/IDR	16,662	-0.10%
GBP/IDR	19,285	-0.08%
HKD/IDR	2,008	-0.26%
SGD/IDR	11,520	-0.08%
AUD/IDR	10,083	-0.21%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	94.05	-3.0%
VIX	16.91	-0.7%

Sources : Bloomberg, MNCS

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Global Market Updates

- Global equity indexes mainly continued its rally Tuesday (Oct 11, 2023), supported by burgeoned sentiments that the Fed is done with their rate hike frenzy and strong demands for the 10-yr UST notes, looking past the hot US PPI data.
- The 10-yr UST yield sank another 18.0 bps to 4.66%, after the note's USD35bn auction posted hyped demands with a bid-to-cover ratio of 2.5, higher than the 10-auction average of 2.46.
- Global yields followed the downtrend, with the German 10-yr bund yield descending 5.7 bps to 2.72%, the UK 10-yr gilt yield plummeting 9.8 bps to 4.33%, followed by the Japanese 10-yr GB that slightly slipped to 0.77%.
- The US Sep-23 PPI readings yesterday came in hotter than expected, rising 0.5% MoM/2.2% YoY (vs expectations of 0.2% MoM/1.6% YoY), presenting as hawkish factors for the Fed but was widely overlooked by the market.
- We view that the brewing turmoil in the Middle East coupled with the juicy yield levels reached last week has resparked what has been a dormant appetite towards the world's best safe-haven assets, inciting massive inflows towards Treasuries, followed by gold that has gained a sizeable 2.4% over the first week of October, with more upsides expected due to the uncertainty of the condition and its contagion risks.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds posted further gains Wednesday (Oct 11, 2023), following solid demands both foreign and domestic. The 10-yr benchmark series yield fell 10 bps to 6.85%. The 2s10s Indo GB spread narrowed to 48 bps.
- IDR rebounded against most global major currencies, depreciating against the USD (USD/IDR slipped 0.27% to 15,693) as the DXY lost its grounding, undercut by slipping UST yields and a strengthening in gold and the pricing in of mulled Chinese stimulus policy.
- On a WoW basis up to Oct 10, 2023, Indonesian gov't securities accrued IDR9.3tn of net inflows, with huge accumulations from the banking sector (IDR6.26tn), others which include securities companies and other corporations (IDR6.5tn) as well as insurance and pension funds (IDR4.48tn).
- The foreign outflows thinned to only IDR40bn this week up to Oct 10, showing foreign support on the bonds prices.
- Concurrently, the 5-yr CDS slid by another 3% to 94.05, possibly to dip below 90 with this accrual trend.

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 6.70-6.80% for today.
- Attractive Indo GB series to be traded today : FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Oct 11, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	98.86	6.65%	98.58	6.72%
FR0096	10-year	101.01	6.85%	100.34	6.95%
FR0098	15-year	100.53	7.06%	99.70	7.16%
FR0097	20-year	100.73	7.05%	100.62	7.06%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Oct 11, 2023)

Rating	0.1	1	3	5	10
AAA	21.47	38.16	47.99	62.82	84.82
AA	48.85	78.07	104.61	129.78	168.42
A	145.54	203.06	256.05	295.12	348.97
BBB	341.91	390.65	446.45	504.04	595.77

Sources : IBPA, MNCS

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

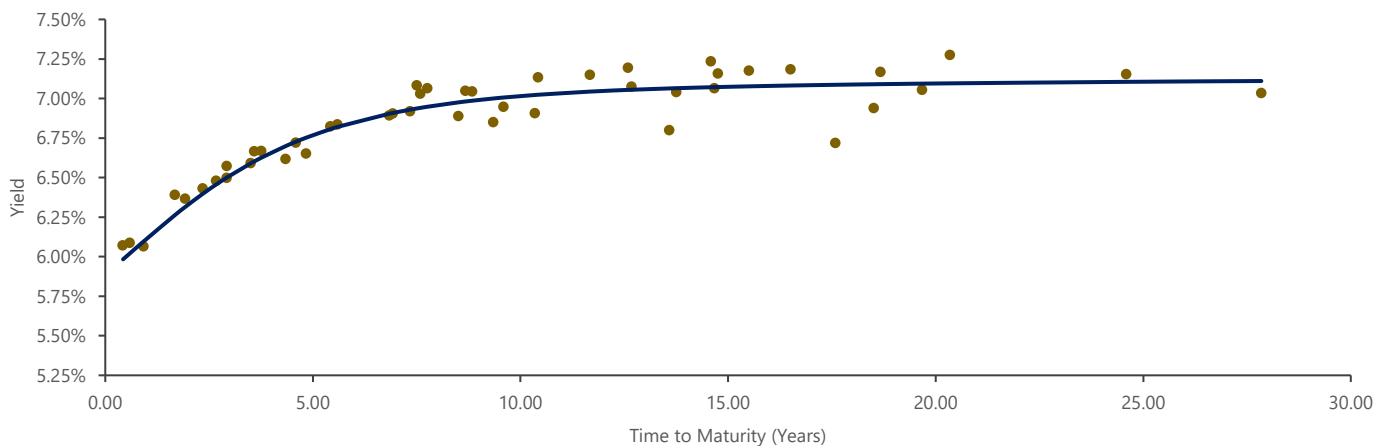
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28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

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Oct 11, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.43	100.93	6.07%	5.98%	100.98	Discounted
FR77	8.125	15-May-24	0.59	101.15	6.09%	6.02%	101.20	Discounted
FR44	10.000	15-Sep-24	0.93	103.47	6.07%	6.10%	103.46	Fair
FR81	6.500	15-Jun-25	1.68	100.16	6.39%	6.26%	100.36	Discounted
FR40	11.000	15-Sep-25	1.93	108.25	6.37%	6.32%	108.37	Discounted
FR84	7.250	15-Feb-26	2.35	101.74	6.43%	6.40%	101.82	Fair
FR86	5.500	15-Jun-26	2.68	97.77	6.48%	6.46%	97.67	Fair
FR37	12.000	15-Sep-26	2.93	114.43	6.50%	6.50%	114.44	Fair
FR56	8.375	15-Sep-26	2.93	104.71	6.57%	6.50%	104.92	Discounted
FR90	5.125	15-Apr-27	3.51	95.48	6.59%	6.59%	95.47	Fair
FR59	7.000	15-May-27	3.59	101.04	6.67%	6.60%	101.24	Discounted
FR42	10.250	15-Jul-27	3.76	111.71	6.67%	6.63%	111.87	Fair
FR47	10.000	15-Feb-28	4.35	112.56	6.62%	6.70%	112.25	Premium
FR64	6.125	15-May-28	4.59	97.68	6.72%	6.73%	97.64	Fair
FR95	6.375	15-Aug-28	4.84	98.86	6.65%	6.75%	98.45	Premium
FR71	9.000	15-Mar-29	5.43	109.72	6.82%	6.81%	109.81	Fair
FR78	8.250	15-May-29	5.59	106.46	6.84%	6.82%	106.55	Fair
FR52	10.500	15-Aug-30	6.84	119.39	6.89%	6.90%	119.33	Fair
FR82	7.000	15-Sep-30	6.93	100.51	6.91%	6.91%	100.49	Fair
FR87	6.500	15-Feb-31	7.35	97.61	6.92%	6.93%	97.54	Fair
FR85	7.750	15-Apr-31	7.51	103.83	7.08%	6.94%	104.69	Discounted
FR73	8.750	15-May-31	7.59	109.98	7.03%	6.94%	110.53	Discounted
FR54	9.500	15-Jul-31	7.76	114.33	7.06%	6.95%	115.09	Discounted
FR91	6.375	15-Apr-32	8.51	96.73	6.89%	6.98%	96.19	Premium
FR58	8.250	15-Jun-32	8.68	107.68	7.05%	6.98%	108.14	Discounted
FR74	7.500	15-Aug-32	8.84	102.95	7.04%	6.99%	103.33	Discounted
FR96	7.000	15-Feb-33	9.35	101.01	6.85%	7.00%	99.98	Premium
FR65	6.625	15-May-33	9.59	97.76	6.95%	7.01%	97.36	Premium
FR100	6.625	15-Feb-34	10.35	97.93	6.91%	7.02%	104.36	Premium
FR68	8.375	15-Mar-34	10.43	109.02	7.13%	7.02%	109.86	Discounted
FR80	7.500	15-Jun-35	11.68	102.73	7.15%	7.04%	103.57	Discounted
FR72	8.250	15-May-36	12.59	108.63	7.19%	7.05%	109.85	Discounted
FR88	6.250	15-Jun-36	12.68	93.16	7.07%	7.06%	93.31	Fair
FR45	9.750	15-May-37	13.59	125.89	6.80%	7.06%	123.21	Premium
FR93	6.375	15-Jul-37	13.76	94.18	7.04%	7.07%	93.97	Fair
FR75	7.500	15-May-38	14.59	102.36	7.23%	7.07%	103.85	Discounted
FR50	10.500	15-Jul-38	14.76	130.12	7.16%	7.07%	131.06	Discounted
FR98	7.125	15-Jun-38	14.68	100.53	7.06%	7.07%	100.46	Fair
FR79	8.375	15-Apr-39	15.51	111.11	7.18%	7.08%	112.10	Discounted
FR83	7.500	15-Apr-40	16.51	103.02	7.19%	7.08%	104.02	Discounted
FR57	9.500	15-May-41	17.59	128.45	6.72%	7.09%	124.03	Premium
FR62	6.375	15-Apr-42	18.51	94.17	6.94%	7.09%	92.68	Premium
FR92	7.125	15-Jun-42	18.68	99.55	7.17%	7.09%	100.33	Discounted
FR97	7.125	15-Jun-43	19.68	100.73	7.05%	7.09%	100.31	Fair
FR67	8.750	15-Feb-44	20.35	115.52	7.28%	7.10%	117.65	Discounted
FR76	7.375	15-May-48	24.59	102.53	7.15%	7.11%	103.10	Discounted
FR89	6.875	15-Aug-51	27.84	98.06	7.03%	7.11%	97.14	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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