

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,935.15	+0.05%
STI	3,218.69	+0.81%
HSI	18,238.21	+1.93%
SSEC	3,107.90	+0.94%
FTSE	7,644.78	+0.32%
GDAX	15,425.03	-0.23%
DJI	33,631.14	-0.51%
S&P 500	4,349.61	-0.62%
NDX	13,574.22	-0.63%

10-yr Bond	Last	Bps
ID	6.76	-8.90
US	4.70	+12.0
UK	4.42	+9.40
JP	0.76	-1.10
CN	2.70	-0.30
MY	4.04	-1.70
TH	3.25	-3.40

Exchange Rate	Last	%
USD/IDR	15,690	-0.02%
EUR/IDR	16,682	+0.12%
GBP/IDR	19,302	+0.09%
HKD/IDR	2,007	-0.02%
SGD/IDR	11,525	+0.04%
AUD/IDR	10,069	-0.14%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	93.08	-1.3%
VIX	16.69	+3.7%

Sources : Bloomberg, MNCS

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**Global Market Updates**

- Equity indexes in Asia mainly continued its rally Thursday (Oct 12, 2023), while the US equities snapped its rally after faced with hotter-than-expected CPI data, with USTs cancelling its prospective gains achieved earlier this week.
- US Sep-23 CPI readings came in at a 3.7% YoY/0.4% MoM rise vs expectations of a weaker 3.6% YoY/0.3% MoM. However, Core CPI excluding energy and food was in alignment with projections, cooling to 4.1% YoY/0.3% MoM.
- The 10-yr UST yield surged by 12.0 bps back to 4.70% as result, putting rate hikes back into the conversation, followed by weak demands in the 30-yr UST auction of USD20bn with a bid-to-cover ratio of 2.35, below its average of 2.39 of 10 previous auctions.
- Out of the 8 Fed officials, 2 have given dovish remarks regarding the recent surge in UST yields preceding the PPI and CPI readings, saying that high yields should assist the Fed in tightening campaign, 2 have given neutral remarks, whereas a weight bearing 4 of them have given hawkish remarks.
- We maintain that further hikes are unlikely going forward, with the inflation uptick mainly due to energy's volatility, which otherwise show a disinflation trend, coupled with recent American citizens struggling with multiple jobs indicating conditions make it hard to make ends meet topped with soaring mortgage rates.

**Domestic Market Updates**

- Indonesian benchmark series of LCY government bonds posted further gains Thursday (Oct 12, 2023), following solid demands both foreign and domestic. The 10-yr benchmark series yield fell 8.9 bps to 6.76%. The 2s10s Indo GB spread bull flattened further to 37 bps.
- IDR closed mixed against global major currencies, strengthening against the USD (USD/IDR slipped 0.02% to 15,690).
- On a WoW basis up to Oct 11, 2023, Indonesian gov't securities accrued IDR9.3tn of net inflows, with the banking sector accumulating most of the accrual (IDR10.3tn), and most of its purchases of IDR4.56tn made in Oct 11.
- On the back of the Indonesian gov't bond frenzy and yesterday's hot US CPI, the Indo GB 10-yr and UST 10-yr spread has plummeted to the lowest levels seen this year, hitting 203 bps as of Oct 12, 2023, beating Mar-23's lowest of 207 bps during the SVB bank crisis.
- The 5-yr CDS slid by another 1.3% to 93.08, we expect it to remain at 85-95 bps throughout the remainder of 2023.

**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 : FR0059, FR0081, FR0096, FR0100.

**Exhibit 3. Benchmark LCY Government Bond Prices (Oct 12, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	99.08	6.60%	98.86	6.65%
FR0096	10-year	101.62	6.76%	101.01	6.85%
FR0098	15-year	101.05	7.01%	100.53	7.06%
FR0097	20-year	100.93	7.04%	100.73	7.05%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Oct 12, 2023)**

Rating	0.1	1	3	5	10
AAA	21.47	38.16	47.96	62.80	84.85
AA	48.85	78.07	104.60	129.78	168.42
A	145.55	203.05	256.08	295.11	349.00
BBB	341.90	390.65	446.46	504.04	595.79

Sources : IBPA, MNCS

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

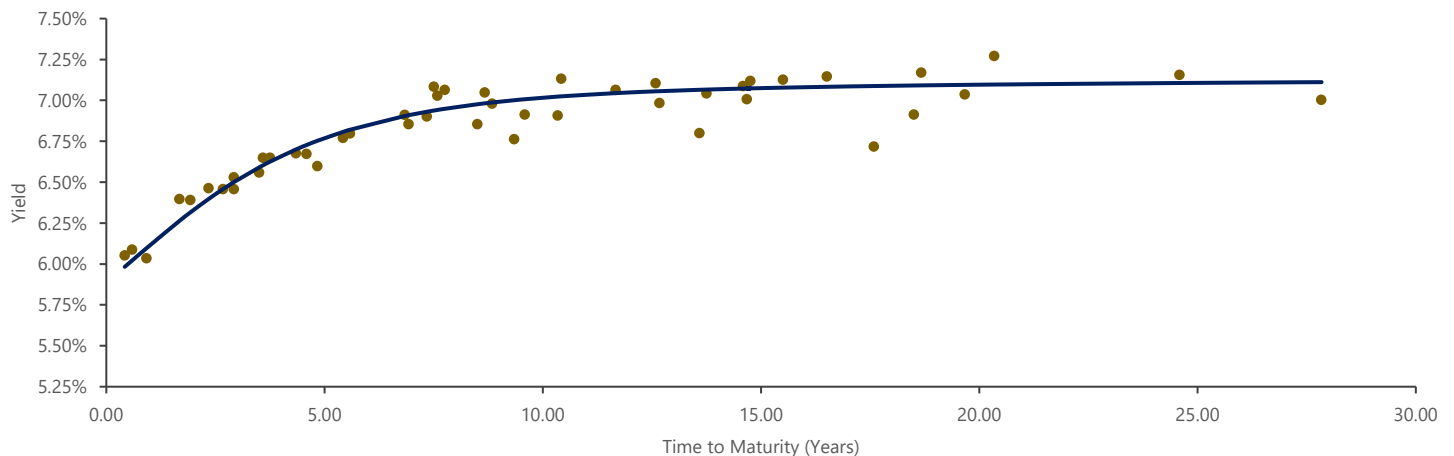
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28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

Sources : DJPPR, MNCS

**Exhibit 06. LCY Government Bond Valuation (Oct 12, 2023)**

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.42	100.92	6.05%	5.98%	100.98	Discounted
FR77	8.125	15-May-24	0.59	101.14	6.09%	6.02%	101.20	Discounted
FR44	10.000	15-Sep-24	0.93	103.47	6.03%	6.10%	103.45	Premium
FR81	6.500	15-Jun-25	1.68	100.15	6.40%	6.26%	100.36	Discounted
FR40	11.000	15-Sep-25	1.93	108.18	6.39%	6.32%	108.36	Discounted
FR84	7.250	15-Feb-26	2.35	101.67	6.46%	6.40%	101.81	Discounted
FR86	5.500	15-Jun-26	2.67	97.83	6.46%	6.46%	97.67	Fair
FR37	12.000	15-Sep-26	2.93	114.51	6.46%	6.50%	114.43	Premium
FR56	8.375	15-Sep-26	2.93	104.82	6.53%	6.50%	104.91	Fair
FR90	5.125	15-Apr-27	3.51	95.58	6.56%	6.59%	95.47	Fair
FR59	7.000	15-May-27	3.59	101.10	6.65%	6.60%	101.24	Discounted
FR42	10.250	15-Jul-27	3.76	111.75	6.65%	6.63%	111.86	Fair
FR47	10.000	15-Feb-28	4.34	112.31	6.68%	6.70%	112.24	Fair
FR64	6.125	15-May-28	4.59	97.86	6.67%	6.73%	97.65	Premium
FR95	6.375	15-Aug-28	4.84	99.08	6.60%	6.75%	98.45	Premium
FR71	9.000	15-Mar-29	5.42	109.96	6.77%	6.81%	109.80	Premium
FR78	8.250	15-May-29	5.59	106.64	6.80%	6.82%	106.54	Fair
FR52	10.500	15-Aug-30	6.84	119.27	6.91%	6.90%	119.33	Fair
FR82	7.000	15-Sep-30	6.93	100.78	6.85%	6.91%	100.49	Premium
FR87	6.500	15-Feb-31	7.35	97.71	6.90%	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	109.97	7.03%	6.94%	110.52	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	96.96	6.85%	6.98%	96.19	Premium
FR58	8.250	15-Jun-32	8.68	107.68	7.05%	6.98%	108.13	Discounted
FR74	7.500	15-Aug-32	8.84	103.38	6.98%	6.99%	103.33	Fair
FR96	7.000	15-Feb-33	9.35	101.62	6.76%	7.00%	99.98	Premium
FR65	6.625	15-May-33	9.59	98.01	6.91%	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	10.42	109.02	7.13%	7.02%	109.86	Discounted
FR80	7.500	15-Jun-35	11.67	103.42	7.06%	7.04%	103.57	Fair
FR72	8.250	15-May-36	12.59	109.42	7.10%	7.05%	109.85	Discounted
FR88	6.250	15-Jun-36	12.68	93.90	6.98%	7.06%	93.31	Premium
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	103.72	7.09%	7.07%	103.85	Fair
FR50	10.500	15-Jul-38	14.76	130.55	7.12%	7.07%	131.06	Discounted
FR98	7.125	15-Jun-38	14.67	101.05	7.01%	7.07%	100.46	Premium
FR79	8.375	15-Apr-39	15.51	111.61	7.13%	7.08%	112.10	Discounted
FR83	7.500	15-Apr-40	16.51	103.40	7.15%	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	94.43	6.91%	7.09%	92.69	Premium
FR92	7.125	15-Jun-42	18.67	99.55	7.17%	7.09%	100.33	Discounted
FR97	7.125	15-Jun-43	19.67	100.93	7.04%	7.09%	100.31	Premium
FR67	8.750	15-Feb-44	20.34	115.58	7.27%	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	98.42	7.00%	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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