

## Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	7,252.97	+0.73%
STI	3,139.78	-0.08%
HSI	15,391.79	+0.75%
SSEC	2,845.78	+0.43%
FTSE	7,459.09	+0.17%
GDAX	16,567.35	+0.83%
DJI	37,468.61	+0.54%
S&P 500	4,780.94	+0.88%
NDX	15,055.65	+1.35%
10-yr Bond	Last	Bps
ID	6.69%	+1.64
US	4.10%	+3.00
UK	3.99%	+18.80
JP	0.65%	+3.40
CN	2.51%	+0.20
MY	3.84%	+0.00
TH	2.72%	+0.50
Exchange Rate	Last	%
USD/IDR	15,620	-0.13%
EUR/IDR	17,000	+0.01%
GBP/IDR	19,832	+0.22%
HKD/IDR	1,998	-0.10%
SGD/IDR	11,625	-0.02%
AUD/IDR	10,244	+0.13%

Sources : Bloomberg, MNCS

## Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	75.89	+0.27%
VIX	14.13	-4.50%
MOVE	107.22	+1.30%

Sources : Bloomberg, MNCS

## Fixed Income Analyst

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## Global Market Updates

- Wall Street equities closed with a modest gain on Thursday (Jan 18, 2024), DJI rose by +0.54%, S&P 500 surged by +0.88%, and Nasdaq closed up by +1.35%.
- Stocks wrapped up Thursday on higher note, driven by favorable US economic news surpassing expectations. The market received support as the Senate approved a continuing resolution, preventing a shutdown and securing government funding until March. The House is expected to pass the resolution later today.
- US Treasury 10-yr yields rose by +4 bps to 4.14%, with the UST 2-yr yields remained unchanged at 4.34%. Treasury yields increased as the most recent jobs data surpassed expectations.
- US weekly initial unemployment claims dropped by -16,000 to 187,000. This indicates a more robust labor market compared to the expected 205,000.
- US Dec housing starts declined by -4.3% MoM to 1.460mn, stronger than expectations of 1.425mn. Furthermore, Dec building permits rose +1.9% MoM to 1.495mn, exceeding expectations of 1.477mn.
- The US January Philadelphia Fed Business Outlook Survey increased by +2.2 but remained at -10.6, falling short of expectations which were at -6.5.
- Global bond yields on Thursday were mixed; the German bund 10-yr yield rose by +3.3 bps to 2.34%, while the UK gilt 10-yr yield fell by -5.5 bps to 3.93%. The Japanese GB 10-yr yield surged by +3.40 at 0.65%.

## Domestic Market Updates

- Indonesian benchmark series of LCY government bonds closed lower on Thursday (Jan 18, 2024), with the 10-yr benchmark yield rose +1.64 bps to 6.69%.
- The IDR appreciated against the USD (USD/IDR fell by +0.12% to 15,620) at Thursday's close. Despite fluctuations, we noticed the IDR gaining strength as market optimism responded to BI's announcement yesterday.
- The Manufacturing Industry maintained its strength in 4Q-2023 with a PMI-BI of 51.20%, slightly lower than the previous quarter's 52.93%, but still within the expansion phase (index >50%). Additionally, the PMI-BI index is projected to improve in Q1 2024, reaching 53.39%.
- BI noted a decrease in foreign exchange earnings (DHE) stored in foreign exchange term deposits to USD2.2bn, down from the previous month's USD2.4bn. The government plans to introduce tax incentives for DHE placement to stimulate entrepreneur interest.
- On Thursday's Indo GB series trading, FR96 and FR91 were notable in the bond market, experiencing high trade volumes of IDR1.43tn and IDR1.26tn, respectively. Moreover, FR100 and FR102 also maintained considerable trading frequency.

## 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 6.55-6.75% for today.
- Attractive Indo GB series to be traded today : FR0081, FR0091, FR0096, FR0100, FR101.

## Exhibit 3. Benchmark LCY Government Bond Prices (Jan 18, 2024)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0101	5-year	101.75	6.47%	101.62	6.50%
FR0100	10-year	99.49	6.69%	99.62	6.68%
FR0098	15-year	103.18	6.78%	103.12	6.78%
FR0097	20-year	102.66	6.87%	102.61	6.88%

Sources : Bloomberg, IBPA, MNCS

## Exhibit 4. Corporate Bond Credit Spread Matrices (Jan 18, 2024)

Rating	0.1	1	3	5	10
AAA	39.39	51.16	61.69	73.92	89.74
AA	66.01	107.52	136.08	160.20	193.13
A	125.78	204.60	268.02	302.29	361.57
BBB	322.99	396.81	453.46	501.26	599.03

Sources : IBPA, MNCS

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

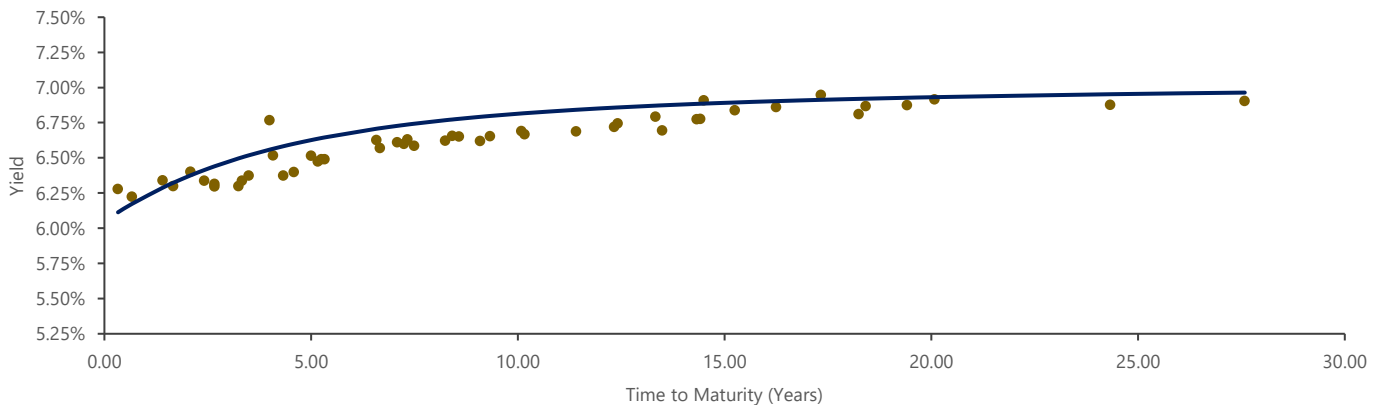
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91	17.20	18.35	19.11
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73	29.18	27.67	26.84
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95	14.68	14.89	14.94
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92	21.20	21.66	21.74	21.63	21.61

Sources : DJPPR, MNCS

**Exhibit 06. LCY Government Bond Valuation (Jan 18, 2024)**

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.16	100.33	5.92%	6.08%	100.33	Premium
FR77	8.125	15-May-24	0.32	100.54	6.28%	6.11%	100.61	Discounted
FR44	10.000	15-Sep-24	0.66	102.34	6.22%	6.17%	102.41	Discounted
FR81	6.500	15-Jun-25	1.41	100.20	6.34%	6.29%	100.27	Discounted
FR40	11.000	15-Sep-25	1.66	107.22	6.30%	6.32%	107.23	Premium
FR84	7.250	15-Feb-26	2.08	101.61	6.40%	6.37%	101.67	Discounted
FR86	5.500	15-Jun-26	2.41	98.27	6.34%	6.41%	97.99	Premium
FR37	12.000	15-Sep-26	2.66	113.69	6.30%	6.44%	113.36	Premium
FR56	8.375	15-Sep-26	2.66	104.94	6.31%	6.44%	104.64	Premium
FR90	5.125	15-Apr-27	3.24	96.61	6.30%	6.50%	96.04	Premium
FR59	7.000	15-May-27	3.32	101.94	6.34%	6.50%	101.45	Premium
FR42	10.250	15-Jul-27	3.49	111.93	6.37%	6.52%	111.49	Premium
FR94	5.600	15-Jan-28	3.99	95.98	6.77%	6.56%	96.68	Discounted
FR47	10.000	15-Feb-28	4.07	112.26	6.52%	6.56%	112.11	Premium
FR64	6.125	15-May-28	4.32	99.06	6.37%	6.58%	98.29	Premium
FR95	6.375	15-Aug-28	4.57	99.90	6.40%	6.60%	99.12	Premium
FR99	6.400	15-Jan-29	4.99	99.52	6.51%	6.63%	99.05	Premium
FR71	9.000	15-Mar-29	5.15	110.89	6.47%	6.63%	110.17	Premium
FR101	6.875	15-Apr-29	5.24	101.75	6.47%	6.64%	101.01	Premium
FR78	8.250	15-May-29	5.32	107.79	6.49%	6.64%	107.09	Premium
FR52	10.500	15-Aug-30	6.57	120.34	6.63%	6.71%	119.90	Premium
FR82	7.000	15-Sep-30	6.66	102.27	6.57%	6.71%	101.53	Premium
FR87	6.500	15-Feb-31	7.08	99.38	6.61%	6.73%	98.73	Premium
FR85	7.750	15-Apr-31	7.24	106.52	6.60%	6.73%	105.74	Premium
FR73	8.750	15-May-31	7.32	112.11	6.63%	6.74%	111.48	Premium
FR54	9.500	15-Jul-31	7.49	117.01	6.58%	6.74%	116.02	Premium
FR91	6.375	15-Apr-32	8.24	98.44	6.62%	6.77%	97.54	Premium
FR58	8.250	15-Jun-32	8.41	110.13	6.65%	6.77%	109.35	Premium
FR74	7.500	15-Aug-32	8.57	105.48	6.65%	6.78%	104.64	Premium
FR96	7.000	15-Feb-33	9.08	102.56	6.62%	6.79%	101.39	Premium
FR65	6.625	15-May-33	9.32	99.79	6.65%	6.80%	98.81	Premium
FR100	7.625	15-Feb-34	10.08	99.49	6.69%	6.81%	105.83	Premium
FR68	8.375	15-Mar-34	10.15	112.44	6.67%	6.82%	111.28	Premium
FR80	7.500	15-Jun-35	11.41	106.40	6.69%	6.84%	105.15	Premium
FR72	8.250	15-May-36	12.32	112.67	6.72%	6.86%	111.46	Premium
FR88	6.250	15-Jun-36	12.41	95.88	6.74%	6.86%	94.97	Premium
FR45	9.750	15-May-37	13.32	125.62	6.79%	6.87%	124.86	Premium
FR93	6.375	15-Jul-37	13.49	97.20	6.69%	6.87%	95.67	Premium
FR75	7.500	15-May-38	14.32	106.58	6.77%	6.88%	105.55	Premium
FR98	7.125	15-Jun-38	14.41	103.18	6.78%	6.88%	102.17	Premium
FR50	10.500	15-Jul-38	14.49	132.55	6.91%	6.88%	132.82	Discounted
FR79	8.375	15-Apr-39	15.24	114.40	6.84%	6.89%	113.83	Premium
FR83	7.500	15-Apr-40	16.24	106.19	6.86%	6.90%	105.77	Premium
FR57	9.500	15-May-41	17.32	125.46	6.95%	6.91%	125.89	Discounted
FR62	6.375	15-Apr-42	18.24	95.49	6.81%	6.92%	94.40	Premium
FR92	7.125	15-Jun-42	18.41	102.65	6.87%	6.92%	102.11	Premium
FR97	7.125	15-Jun-43	19.41	102.66	6.87%	6.93%	102.09	Premium
FR67	8.750	15-Feb-44	20.07	119.74	6.92%	6.93%	119.56	Premium
FR76	7.375	15-May-48	24.32	105.85	6.88%	6.95%	104.92	Premium
FR89	6.875	15-Aug-51	27.57	99.65	6.90%	6.96%	98.92	Premium
FR102	6.875	15-Jul-54	30.49	99.27	6.93%	6.97%	98.79	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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