

## Exhibit 1. Daily Market Updates

| Equity  | Last      | %      |
|---------|-----------|--------|
| JCI     | 7,036.19  | +0.94% |
| STI     | 3,348.87  | +0.37% |
| HSI     | 18,403.04 | +1.79% |
| SSEC    | 3,078.49  | -0.27% |
| FTSE    | 8,262.75  | -0.15% |
| GDAX    | 18,608.16 | +0.60% |
| DJI     | 38,571.03 | -0.30% |
| S&P 500 | 5,283.40  | +0.11% |
| NDX     | 16,828.67 | +0.56% |

| 10-yr Bond | Last  | Bps   |
|------------|-------|-------|
| ID         | 6.87% | -3.49 |
| US         | 4.61% | +7.00 |
| UK         | 4.22% | -9.80 |
| JP         | 1.07% | -0.10 |
| CN         | 2.31% | -0.80 |
| MY         | 3.90% | -1.10 |
| TH         | 2.81% | +0.00 |

| Exchange Rate | Last   | %      |
|---------------|--------|--------|
| USD/IDR       | 16,230 | -0.12% |
| EUR/IDR       | 17,597 | -0.08% |
| GBP/IDR       | 20,629 | -0.16% |
| HKD/IDR       | 2,075  | -0.18% |
| SGD/IDR       | 12,014 | -0.04% |
| AUD/IDR       | 10,781 | -0.09% |

Sources : Bloomberg, MNCS

## Exhibit 2. Risk Indicators

| Category | Last  | %      |
|----------|-------|--------|
| 5-yr CDS | 71.78 | +0.34% |
| VIX      | 13.11 | +1.50% |
| MOVE     | 93.92 | +3.10% |

Sources : Bloomberg, MNCS

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## Global Market Updates

- Wall Street equities closed with varied results on Jun 3, with the DJI declined by -0.30%, the S&P 500 grew by +0.11%, and the Nasdaq rose by +0.56%.
- US stocks ended mixed on Monday, starting June's first trading day with volatility. The tech sector boosted the broader market, led by Nvidia's over 4% increase after revealing its new AI chips for 2025. The drop in bond yields also favored stocks, as the 10-year T-note yield fell to a two-week low.
- The 10-yr UST yields slipped by -10.0 bps to 4.41%, while the 2-yr yields decreased by -7.0 bps to 4.82%. T-notes rose after the May ISM manufacturing index fell more than expected, suggesting a dovish outlook for Fed policy. Additionally, a more than 3% drop in crude prices to a three-month low lowered inflation expectations, further boosting T-notes.
- The US ISM Manufacturing PMI unexpectedly edged lower to 48.7 in May-2024 from 49.2 in Apr-2024, falling below forecasts of 49.6. The May ISM price paid sub-index dropped by 3.9 points to 57.0, falling short of the expected 59.0.
- The HCOB Eurozone Manufacturing PMI climbed to 47.3 in May from 45.7 in April, slightly under the preliminary forecast of 47.4. The reading pointing to the slowest decline in Eurozone manufacturing in over a year.
- Meanwhile in Asia, the Caixin Manufacturing PMI for China in May rose by +0.3 to 51.7, stronger than expected at 51.6 and reaching the highest level in 23 months.
- Global bond yields moved lower on Monday: the German bund yield fell by -8.4 bps to 2.58%, while the 10-yr UK gilt yield slid by -9.8 bps to 4.22%. The Japanese 10-yr JGB yield edged down by -0.1 bps to 1.07%.

## Domestic Market Updates

- The Indonesian benchmark series of LCY government bonds moved higher on Jun 3, with the 10-yr benchmark yield fell by -3.49 bps to 6.87%, while the 2-yr yield tumbled by -11.38 bps to 6.53%.
- The IDR strengthened against the USD at Monday's close (USD/IDR fell by -0.12% to 16,230). The lower inflation report from BPS gave a positive signal for the strength of the Rupiah, while the market's attention this week turns to the ECB, expected to start reducing its first interest rates since 2019.
- The annual inflation rate fell to 2.84% YoY in May-2024 from 3.00% YoY in Apr-2024, marking the lowest reading since Feb-2024. Meanwhile, core consumer prices rose by 1.93% YoY in May-2024, from 1.82% YoY in Apr-2024, marking the highest increase in eight months.
- In Monday's Indo-GB series trading, FR0100 and FR0101 attracted limited interest compared to previous transactions, with the highest trade volumes of IDR1.71tn and IDR0.90tn, respectively. Additionally, FR0081, PBS038, and PBS032 showed high 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 6.85-7.10% for today.
- Attractive Indo GB series to be traded today: FR0081, FR0056, FR0064, FR0099, FR0087.

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

| Series | Benchmark | Last Price | YTM   | -1D Price | -1D YTM |
|--------|-----------|------------|-------|-----------|---------|
| FR0101 | 5-year    | 100.16     | 6.83% | 100.03    | 6.86%   |
| FR0100 | 10-year   | 98.25      | 6.87% | 98.00     | 6.91%   |
| FR0098 | 15-year   | 101.93     | 6.91% | 101.61    | 6.94%   |
| FR0097 | 20-year   | 101.77     | 6.96% | 101.56    | 6.98%   |

Sources : Bloomberg, IBPA, MNCS

## Exhibit 4. Corporate Bond Credit Spread Matrices (Jun 3, 2024)

| Rating | 0.1    | 1      | 3      | 5      | 10     |
|--------|--------|--------|--------|--------|--------|
| AAA    | 56.02  | 57.08  | 59.03  | 63.29  | 71.85  |
| AA     | 80.24  | 88.63  | 113.68 | 143.54 | 181.48 |
| A      | 139.86 | 217.54 | 293.79 | 329.96 | 374.85 |
| BBB    | 327.37 | 387.04 | 452.19 | 520.76 | 602.82 |

Sources : IBPA, MNCS

## Exhibit 5. Government Bond Ownership by Type (%) (May 30, 2024)

| Series       | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Des-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Central Bank | 17.43  | 16.16  | 16.08  | 16.91  | 17.20  | 18.35  | 19.43  | 18.72  | 20.75  | 21.34  | 21.34  | 22.36  |
| Banks        | 31.06  | 31.45  | 31.14  | 29.73  | 29.18  | 27.67  | 26.51  | 27.40  | 25.56  | 24.76  | 24.53  | 22.86  |
| Foreign      | 15.51  | 15.56  | 15.37  | 14.95  | 14.68  | 14.89  | 14.93  | 14.76  | 14.47  | 14.20  | 13.77  | 14.06  |
| MF, IF & PF  | 20.50  | 20.92  | 21.20  | 21.66  | 21.74  | 21.63  | 21.62  | 21.59  | 21.44  | 21.71  | 21.87  | 22.04  |

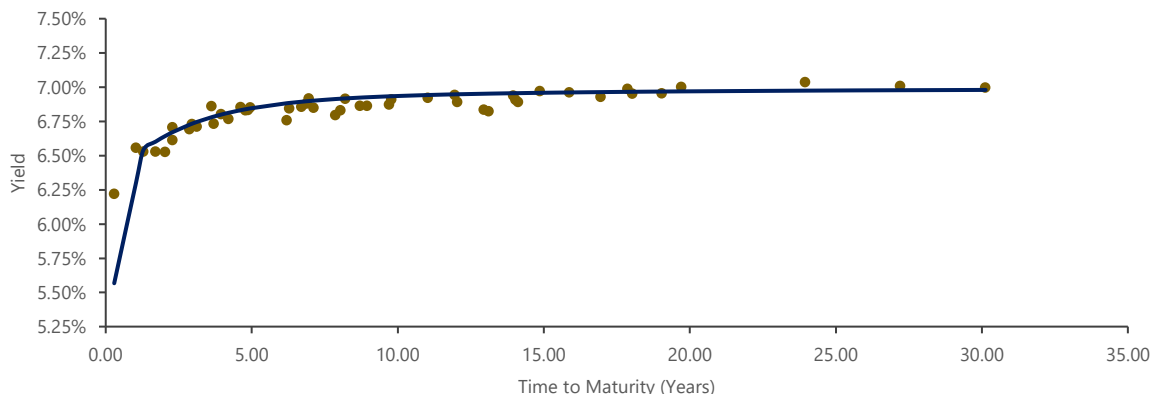
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Jun 3, 2024)

| Series | Coupon | Maturity  | TTM   | Last Price | YTM   | Yield Curve | Fair Price | Notes      |
|--------|--------|-----------|-------|------------|-------|-------------|------------|------------|
| FR44   | 10.000 | 15-Sep-24 | 0.29  | 100.99     | 6.22% | 5.57%       | 101.23     | Discounted |
| FR81   | 6.500  | 15-Jun-25 | 1.04  | 99.94      | 6.56% | 6.30%       | 100.19     | Discounted |
| FR40   | 11.000 | 15-Sep-25 | 1.29  | 105.37     | 6.53% | 6.54%       | 105.41     | Fair       |
| FR84   | 7.250  | 15-Feb-26 | 1.71  | 101.13     | 6.53% | 6.60%       | 101.02     | Premium    |
| FR86   | 5.500  | 15-Jun-26 | 2.04  | 98.22      | 6.53% | 6.64%       | 97.85      | Premium    |
| FR37   | 12.000 | 15-Sep-26 | 2.29  | 111.19     | 6.61% | 6.67%       | 111.12     | Premium    |
| FR56   | 8.375  | 15-Sep-26 | 2.29  | 103.45     | 6.71% | 6.67%       | 103.55     | Discounted |
| FR90   | 5.125  | 15-Apr-27 | 2.87  | 95.97      | 6.69% | 6.73%       | 95.87      | Fair       |
| FR59   | 7.000  | 15-May-27 | 2.95  | 100.70     | 6.73% | 6.73%       | 100.70     | Fair       |
| FR42   | 10.250 | 15-Jul-27 | 3.12  | 109.77     | 6.71% | 6.75%       | 109.71     | Fair       |
| FR94   | 5.600  | 15-Jan-28 | 3.62  | 96.01      | 6.86% | 6.78%       | 96.25      | Discounted |
| FR47   | 10.000 | 15-Feb-28 | 3.71  | 110.51     | 6.73% | 6.79%       | 110.37     | Fair       |
| FR64   | 6.125  | 15-May-28 | 3.95  | 97.69      | 6.80% | 6.80%       | 97.69      | Fair       |
| FR95   | 6.375  | 15-Aug-28 | 4.21  | 98.57      | 6.77% | 6.81%       | 98.41      | Premium    |
| FR99   | 6.400  | 15-Jan-29 | 4.63  | 98.22      | 6.86% | 6.83%       | 98.30      | Fair       |
| FR71   | 9.000  | 15-Mar-29 | 4.79  | 108.69     | 6.83% | 6.84%       | 108.69     | Fair       |
| FR101  | 6.875  | 15-Apr-29 | 4.87  | 100.16     | 6.83% | 6.84%       | 100.12     | Fair       |
| FR78   | 8.250  | 15-May-29 | 4.95  | 105.77     | 6.85% | 6.85%       | 105.82     | Fair       |
| FR52   | 10.500 | 15-Aug-30 | 6.21  | 118.67     | 6.76% | 6.88%       | 118.01     | Premium    |
| FR82   | 7.000  | 15-Sep-30 | 6.29  | 100.76     | 6.85% | 6.88%       | 100.57     | Premium    |
| FR87   | 6.500  | 15-Feb-31 | 6.71  | 98.09      | 6.86% | 6.89%       | 97.90      | Premium    |
| FR85   | 7.750  | 15-Apr-31 | 6.87  | 104.68     | 6.88% | 6.90%       | 104.60     | Fair       |
| FR73   | 8.750  | 15-May-31 | 6.95  | 109.96     | 6.92% | 6.90%       | 110.09     | Fair       |
| FR54   | 9.500  | 15-Jul-31 | 7.12  | 114.71     | 6.85% | 6.90%       | 114.42     | Premium    |
| FR91   | 6.375  | 15-Apr-32 | 7.87  | 97.45      | 6.80% | 6.91%       | 96.76      | Premium    |
| FR58   | 8.250  | 15-Jun-32 | 8.04  | 108.65     | 6.83% | 6.92%       | 108.12     | Premium    |
| FR74   | 7.500  | 15-Aug-32 | 8.21  | 103.60     | 6.92% | 6.92%       | 103.59     | Fair       |
| FR96   | 7.000  | 15-Feb-33 | 8.71  | 100.87     | 6.86% | 6.92%       | 100.48     | Premium    |
| FR65   | 6.625  | 15-May-33 | 8.95  | 98.42      | 6.86% | 6.93%       | 98.01      | Premium    |
| FR100  | 6.625  | 15-Feb-34 | 9.71  | 98.25      | 6.87% | 6.93%       | 97.83      | Premium    |
| FR68   | 8.375  | 15-Mar-34 | 9.79  | 110.26     | 6.91% | 6.93%       | 110.10     | Fair       |
| FR80   | 7.500  | 15-Jun-35 | 11.04 | 104.40     | 6.92% | 6.94%       | 104.25     | Fair       |
| FR72   | 8.250  | 15-May-36 | 11.95 | 110.47     | 6.94% | 6.95%       | 110.46     | Fair       |
| FR88   | 6.250  | 15-Jun-36 | 12.04 | 94.80      | 6.89% | 6.95%       | 94.36      | Premium    |
| FR45   | 9.750  | 15-May-37 | 12.95 | 124.75     | 6.84% | 6.95%       | 123.64     | Premium    |
| FR93   | 6.375  | 15-Jul-37 | 13.12 | 96.13      | 6.83% | 6.95%       | 95.07      | Premium    |
| FR75   | 7.500  | 15-May-38 | 13.95 | 104.96     | 6.94% | 6.96%       | 104.81     | Fair       |
| FR98   | 7.125  | 15-Jun-38 | 14.04 | 101.93     | 6.91% | 6.96%       | 101.50     | Premium    |
| FR50   | 10.500 | 15-Jul-38 | 14.12 | 132.20     | 6.89% | 6.96%       | 131.53     | Premium    |
| FR79   | 8.375  | 15-Apr-39 | 14.87 | 112.84     | 6.97% | 6.96%       | 112.98     | Fair       |
| FR83   | 7.500  | 15-Apr-40 | 15.87 | 105.11     | 6.96% | 6.96%       | 105.11     | Fair       |
| FR57   | 9.500  | 15-May-41 | 16.95 | 125.38     | 6.93% | 6.96%       | 125.00     | Fair       |
| FR62   | 6.375  | 15-Apr-42 | 17.87 | 93.79      | 6.99% | 6.97%       | 94.00      | Fair       |
| FR92   | 7.125  | 15-Jun-42 | 18.04 | 101.74     | 6.95% | 6.97%       | 101.61     | Fair       |
| FR97   | 7.125  | 15-Jun-43 | 19.04 | 101.77     | 6.96% | 6.97%       | 101.64     | Fair       |
| FR67   | 8.750  | 15-Feb-44 | 19.71 | 118.51     | 7.00% | 6.97%       | 118.91     | Fair       |
| FR76   | 7.375  | 15-May-48 | 23.95 | 103.88     | 7.04% | 6.97%       | 104.63     | Discounted |
| FR89   | 6.875  | 15-Aug-51 | 27.21 | 98.36      | 7.01% | 6.98%       | 98.74      | Fair       |
| FR102  | 6.875  | 15-Jul-54 | 30.12 | 98.46      | 7.00% | 6.98%       | 98.68      | Fair       |

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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