

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,707.76	-0.71
STI	3,208.10	-0.66
HSI	19,627.24	-0.59
SSEC	3,272.36	-1.12
FTSE	7,754.62	+0.31
GDAX	15,913.82	+0.50
DJI	33,300.62	-0.03
S&P 500	4,124.08	-0.16
NDX	12,284.74	-0.36

10-yr Bond	Last	bps
ID	6.38	-1.00
US	3.47	+7.00
UK	3.78	+7.00
JP	0.38	-1.00
CN	2.70	0.00
MY	3.65	-4.00
TH	2.49	+1.00

Exchange Rate	Last	%
USD/IDR	14,751	+0.19
EUR/IDR	16,080	-0.08
GBP/IDR	18,446	+0.02
HKD/IDR	1,888	+0.53
SGD/IDR	11,068	-0.05
AUD/IDR	9,862	-0.01

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	95.38	+0.1
VIX	17.03	+0.6

Sources : Bloomberg, MNCS

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**Global Market Updates**

- US treasury notes yield was traded up by 5-9 bps along the benchmark series on the last day of trading in the previous week.
- The short term bond of 2-year benchmark yield increased 9 bps to 3.99% whereas the 10-year benchmark rose by 8 bps to 3.47% on Friday (May 12, 2023).
- Most of US equity indices fell in response to rising government bond yield. The DJI was slightly flattish while S&P 500 and NDX both corrected 0.16% and 0.36% respectively.
- Albeit there is a signal of rate hike pause in the near future, but Fed's Chair Powell reiterated that battle against inflation is not over yet.
- Indeed, US inflation data showed a gradual easing with the pace of annual inflation has declined to the lowest pace in the last 2 years in Apr-23.

**Domestic Market Updates**

- The benchmark LCY government bond traded up on May 12, 2023 with the 10-year yield fell marginally by 1 bps to 6.38%.
- Besides that, other benchmark such also recorded a yield decline (FR0095 : -2bps; FR0098 : -5bps; FR0098 : -3bps) on a daily basis.
- Investors will have additional liquidity from the maturing of FR0063 and this could provide a positive catalyst for the government bond market.
- The IDR depreciated against the USD by 0.19% on a daily basis and closed at IDR14.751/USD. Meanwhile the 5-year CDS stabilized at 95 bps.
- Bank Indonesia (BI) reported a net foreign selling in the domestic financial market during May 8-11. Net foreign selling in SBN amounted at IDR2.94tn.
- Markets also await for Indonesia's international trade data that will be released today. May expects a contraction in annual exports and imports particularly on the softening of prices on top of high base effects, yet still expecting a USD2.91bn of trade surplus in Apr-23.

**Market Forecast**

- Given the recent development on global and domestic market, we expect the 10 year Indo GB yield to move within a range of 6.30-6.50% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0044, FR0040, FR0084, FR0042, FR0096.

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

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.35	6.07%	101.24	6.09%
FR0096	10-year	104.41	6.38%	104.40	6.39%
FR0098	15-year	104.62	6.64%	104.25	6.67%
FR0097	20-year	104.07	6.75%	103.77	6.78%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	44.23	48.10	52.12	56.81	60.32
AA	51.71	84.45	115.68	139.21	155.49
A	159.80	195.72	230.71	269.07	350.58
BBB	336.51	398.42	443.39	496.10	592.47

Sources : IBPA, MNCS

**Exhibit 5. Government Bond Ownership by Type (%) (May 2, 2023)**

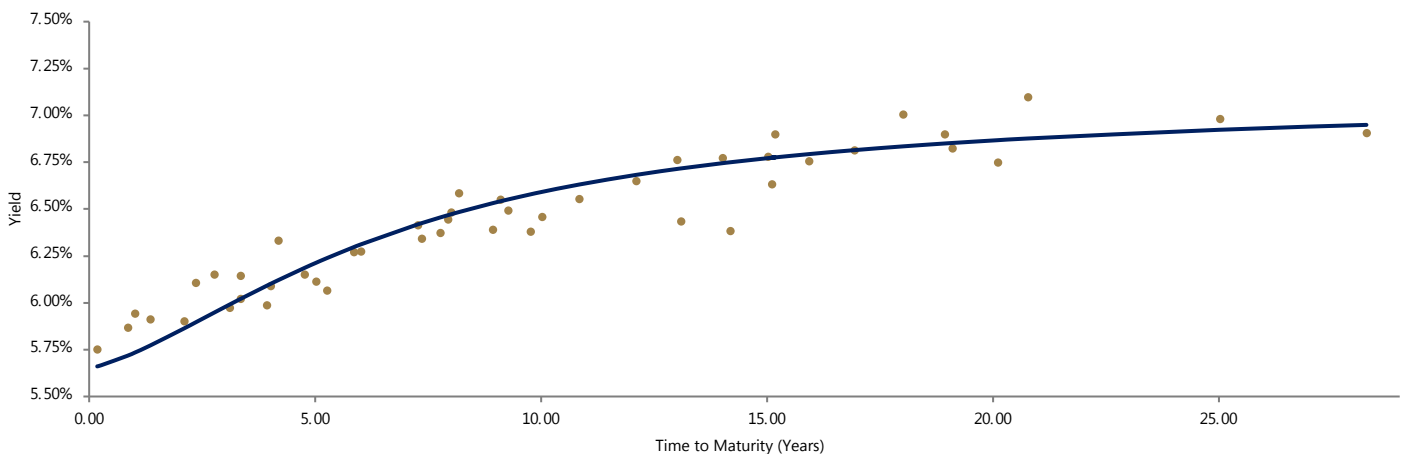
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	20.00
Banks	33.51	33.24	31.93	29.82	29.86
Foreign	15.10	14.79	14.89	14.86	14.91
MF, IF & PF	18.99	19.39	19.86	19.81	19.82

Sources : DJPPR, MNCS

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

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.18	100.59	5.75%	5.66%	100.65	Discounted
FR39	11.750	15-Aug-23	0.26	101.86	4.17%	5.67%	101.55	Premium
FR70	8.375	15-Mar-24	0.84	101.99	5.87%	5.72%	102.15	Discounted
FR77	8.125	15-May-24	1.01	102.08	5.94%	5.73%	102.31	Discounted
FR44	10.000	15-Sep-24	1.35	105.15	5.91%	5.77%	105.38	Discounted
FR81	6.500	15-Jun-25	2.10	101.15	5.90%	5.86%	101.23	Fair
FR40	11.000	15-Sep-25	2.35	110.47	6.11%	5.89%	111.01	Discounted
FR84	7.250	15-Feb-26	2.77	102.73	6.15%	5.95%	103.26	Discounted
FR86	5.500	15-Jun-26	3.10	98.75	5.97%	5.99%	98.63	Fair
FR37	12.000	15-Sep-26	3.35	117.38	6.15%	6.02%	117.86	Discounted
FR56	8.375	15-Sep-26	3.35	106.99	6.02%	6.02%	107.03	Fair
FR90	5.125	15-Apr-27	3.93	97.02	5.99%	6.09%	96.66	Premium
FR59	7.000	15-May-27	4.01	103.18	6.09%	6.10%	103.16	Fair
FR42	10.250	15-Jul-27	4.18	114.13	6.33%	6.12%	115.01	Discounted
FR47	10.000	15-Feb-28	4.77	115.63	6.15%	6.19%	115.52	Fair
FR64	6.125	15-May-28	5.01	100.04	6.12%	6.21%	99.63	Premium
FR95	6.375	15-Aug-28	5.26	101.35	6.07%	6.24%	100.59	Premium
FR71	9.000	15-Mar-29	5.84	113.13	6.27%	6.30%	113.04	Fair
FR78	8.250	15-May-29	6.01	109.74	6.28%	6.31%	109.57	Fair
FR52	10.500	15-Aug-30	7.26	123.38	6.41%	6.42%	123.39	Fair
FR82	7.000	15-Sep-30	7.35	103.78	6.35%	6.42%	103.32	Premium
FR87	6.500	15-Feb-31	7.77	100.73	6.38%	6.46%	100.26	Premium
FR85	7.750	15-Apr-31	7.93	107.98	6.45%	6.47%	107.86	Fair
FR73	8.750	15-May-31	8.01	113.98	6.48%	6.47%	114.06	Fair
FR54	9.500	15-Jul-31	8.18	118.16	6.59%	6.48%	118.90	Discounted
FR91	6.375	15-Apr-32	8.93	99.88	6.39%	6.53%	98.95	Premium
FR58	8.250	15-Jun-32	9.10	111.48	6.55%	6.54%	111.57	Fair
FR74	7.500	15-Aug-32	9.26	106.89	6.50%	6.55%	106.50	Premium
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.77</b>	<b>104.42</b>	<b>6.38%</b>	<b>6.58%</b>	<b>102.99</b>	<b>Premium</b>
FR65	6.625	15-May-33	10.01	101.19	6.46%	6.59%	100.24	Premium
FR68	8.375	15-Mar-34	10.84	113.92	6.56%	6.63%	113.32	Premium
FR80	7.500	15-Jun-35	12.10	106.97	6.65%	6.68%	106.70	Fair
FR72	8.250	15-May-36	13.01	112.71	6.76%	6.71%	113.19	Discounted
FR88	6.250	15-Jun-36	13.10	98.35	6.44%	6.72%	95.97	Premium
FR45	9.750	15-May-37	14.01	126.63	6.78%	6.74%	126.96	Fair
FR93	6.375	15-Jul-37	14.18	99.90	6.38%	6.75%	96.60	Premium
FR75	7.500	15-May-38	15.01	106.72	6.78%	6.77%	106.80	Fair
FR50	10.500	15-Jul-38	15.18	133.50	6.90%	6.78%	134.96	Discounted
FR98	7.125	15-Jun-38	15.10	104.62	6.64%	6.77%	103.28	Premium
FR79	8.375	15-Apr-39	15.93	115.63	6.76%	6.79%	115.24	Fair
FR83	7.500	15-Apr-40	16.93	106.82	6.81%	6.81%	106.82	Fair
FR57	9.500	15-May-41	18.01	125.28	7.01%	6.83%	127.37	Discounted
FR62	6.375	15-Apr-42	18.93	94.50	6.90%	6.85%	95.00	Fair
FR92	7.125	15-Jun-42	19.10	103.15	6.83%	6.85%	102.87	Fair
FR97	7.125	15-Jun-43	20.10	104.07	6.75%	6.87%	102.78	Premium
FR67	8.750	15-Feb-44	20.77	117.75	7.10%	6.88%	120.53	Discounted
FR76	7.375	15-May-48	25.01	104.60	6.98%	6.92%	105.34	Discounted
FR89	6.875	15-Aug-51	28.26	99.58	6.91%	6.95%	99.07	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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