

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,729.65	+0.43
STI	3,211.09	+0.27
HSI	19,678.17	+1.17
SSEC	3,296.47	+0.39
FTSE	7,770.99	+0.18
GDAX	16,223.99	-0.32
DJI	33,286.58	-0.42
S&P 500	4,192.68	+0.02
NDX	12,720.78	+0.50
10-yr Bond	Last	bps
ID	6.41	-1.00
US	3.72	+4.00
UK	4.06	+7.00
JP	0.39	0.00
CN	2.71	-1.00
MY	3.75	0.00
TH	2.50	-1.00
Exchange Rate	Last	%
USD/IDR	14,890	-0.27
EUR/IDR	16,087	-0.42
GBP/IDR	18,510	-0.53
HKD/IDR	1,903	-0.31
SGD/IDR	11,055	-0.47
AUD/IDR	9,915	-0.38

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	91.08	-0.5
VIX	17.21	+2.4

Sources : Bloomberg, MNCS

Research Analyst

Tirta Citradi

tirta.citradi@mncgroup.com

Global Market Updates

- Challenges to get the deal on US debt ceiling remains concern among market participants particularly for bonds.
- Yields on US government bond keep rising with the 2-year benchmark rose 4 bps to 4.33%, meanwhile the long-term benchmark of 10-year yielding 3.72% on Monday (May 22, 2023).
- US equity indices closed mixed last night. The DJI dropped 0.42% but S&P 500 and NDX each rose 0.02% and 0.50%.
- US debt ceiling negotiations have stalled last week and is expected to continue until agreement is formed to avert the default risk that is estimated as soon as June 1, 2023.
- On the other hand, mixed sentiments coming from various Fed's officials also could weigh market sentiments.
- According to Fed's CME FedWatch, market participants expect US central bank to hold FFR on the upcoming meeting with probability of 84.7%.

Domestic Market Updates

- The benchmark LCY government bond price traded mixed on Monday (May 22, 2023). The benchmark for 10-year (FR0096) yield marginally decreased 1 bps and closed at 6.41%.
- After depreciating against USD & other currencies, finally the local currency strengthened and closed at IDR14,890/USD after appreciating 0.27% against USD.
- Indonesia's 5-year CDS keeps declining and now approaching to 90 bps and closed at 91.08 bps yesterday.
- As of Apr-23, Indonesia reported a budget surplus of 1.12% GDP driven by government revenue that is still increasing at the pace of 17.3% YoY.
- In addition, the realization of debt financing (net) reached IDR243.9tn or equivalent to 35% of government target. However, going forward revenue moderation is likely & thus MoF keep reiterating prudence aspect in managing state budget.

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 6.40-6.55% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0081, FR0090, FR0091, FR0088, FR0093 and FR0062.

Exhibit 3. Benchmark LCY Government Bond Prices (May 22, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.32	6.08%	101.27	6.09%
FR0096	10-year	104.24	6.41%	104.16	6.42%
FR0098	15-year	104.18	6.65%	104.48	6.65%
FR0097	20-year	104.19	6.74%	104.37	6.72%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (May 22, 2023)

Rating	0.1	1	3	5	10
AAA	42.13	50.55	57.23	63.24	71.66
AA	51.99	89.57	120.56	143.57	165.07
A	163.30	202.64	237.75	277.84	349.92
BBB	336.16	398.02	444.22	495.38	593.10

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (May 12, 2023)

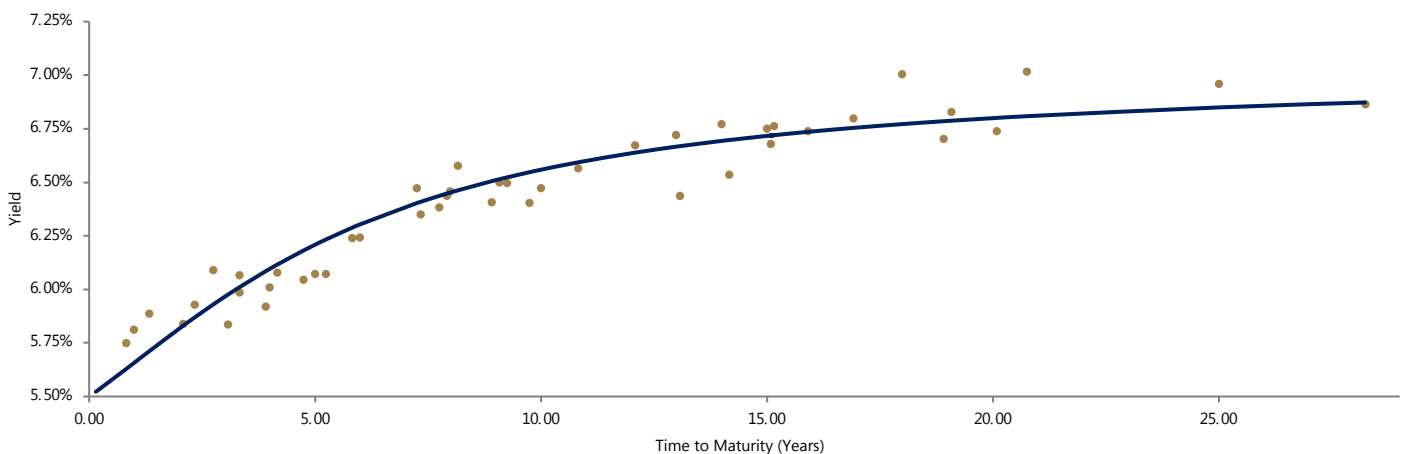
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	18.83
Banks	33.51	33.24	31.93	29.82	31.01
Foreign	15.10	14.79	14.89	14.86	14.92
MF, IF & PF	18.99	19.39	19.86	19.81	19.84

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (May 22, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.15	100.55	5.46%	5.52%	100.56	Premium
FR39	11.750	15-Aug-23	0.23	101.40	5.40%	5.54%	101.40	Premium
FR70	8.375	15-Mar-24	0.81	102.03	5.75%	5.63%	102.15	Discounted
FR77	8.125	15-May-24	0.98	102.16	5.81%	5.65%	102.32	Discounted
FR44	10.000	15-Sep-24	1.32	105.09	5.89%	5.71%	105.35	Discounted
FR81	6.500	15-Jun-25	2.07	101.26	5.84%	5.83%	101.28	Fair
FR40	11.000	15-Sep-25	2.32	110.78	5.93%	5.87%	110.95	Discounted
FR84	7.250	15-Feb-26	2.74	102.86	6.09%	5.93%	103.28	Discounted
FR86	5.500	15-Jun-26	3.07	99.11	5.84%	5.97%	98.68	Premium
FR37	12.000	15-Sep-26	3.32	117.53	6.07%	6.01%	117.75	Discounted
FR56	8.375	15-Sep-26	3.32	107.06	5.99%	6.01%	107.00	Fair
FR90	5.125	15-Apr-27	3.90	97.26	5.92%	6.08%	96.71	Premium
FR59	7.000	15-May-27	3.98	103.45	6.01%	6.09%	103.16	Premium
FR42	10.250	15-Jul-27	4.15	115.06	6.08%	6.11%	114.94	Fair
FR47	10.000	15-Feb-28	4.74	116.03	6.05%	6.18%	115.45	Premium
FR64	6.125	15-May-28	4.98	100.21	6.07%	6.21%	99.65	Premium
FR95	6.375	15-Aug-28	5.23	101.32	6.08%	6.23%	100.62	Premium
FR71	9.000	15-Mar-29	5.81	113.26	6.24%	6.29%	113.03	Fair
FR78	8.250	15-May-29	5.98	109.87	6.24%	6.30%	109.58	Premium
FR52	10.500	15-Aug-30	7.23	122.93	6.48%	6.40%	123.42	Discounted
FR82	7.000	15-Sep-30	7.32	103.74	6.35%	6.41%	103.40	Premium
FR87	6.500	15-Feb-31	7.74	100.69	6.38%	6.44%	100.37	Fair
FR85	7.750	15-Apr-31	7.90	108.00	6.44%	6.45%	107.96	Fair
FR73	8.750	15-May-31	7.98	114.11	6.46%	6.45%	114.16	Fair
FR54	9.500	15-Jul-31	8.15	118.17	6.58%	6.46%	119.00	Discounted
FR91	6.375	15-Apr-32	8.90	99.76	6.41%	6.50%	99.13	Premium
FR58	8.250	15-Jun-32	9.07	111.82	6.50%	6.51%	111.74	Fair
FR74	7.500	15-Aug-32	9.23	106.85	6.50%	6.52%	106.69	Fair
FR96	7.000	15-Feb-33	9.74	104.24	6.41%	6.55%	103.21	Premium
FR65	6.625	15-May-33	9.98	101.10	6.47%	6.56%	100.48	Premium
FR68	8.375	15-Mar-34	10.81	113.83	6.57%	6.59%	113.61	Fair
FR80	7.500	15-Jun-35	12.07	106.75	6.68%	6.64%	107.07	Fair
FR72	8.250	15-May-36	12.98	113.08	6.72%	6.67%	113.61	Discounted
FR88	6.250	15-Jun-36	13.07	98.35	6.44%	6.67%	96.38	Premium
FR45	9.750	15-May-37	13.98	126.63	6.77%	6.69%	127.48	Discounted
FR93	6.375	15-Jul-37	14.15	98.50	6.54%	6.70%	97.07	Premium
FR75	7.500	15-May-38	14.98	106.97	6.75%	6.72%	107.33	Fair
FR50	10.500	15-Jul-38	15.15	135.05	6.76%	6.72%	135.57	Fair
FR98	7.125	15-Jun-38	15.07	104.18	6.68%	6.72%	103.81	Fair
FR79	8.375	15-Apr-39	15.90	115.79	6.74%	6.74%	115.84	Fair
FR83	7.500	15-Apr-40	16.90	106.96	6.80%	6.75%	107.44	Fair
FR57	9.500	15-May-41	17.98	125.28	7.01%	6.77%	128.12	Discounted
FR62	6.375	15-Apr-42	18.90	96.50	6.70%	6.79%	95.66	Premium
FR92	7.125	15-Jun-42	19.07	103.10	6.83%	6.79%	103.57	Fair
FR97	7.125	15-Jun-43	20.07	104.19	6.74%	6.80%	103.52	Premium
FR67	8.750	15-Feb-44	20.74	118.74	7.02%	6.81%	121.38	Discounted
FR76	7.375	15-May-48	24.98	104.85	6.96%	6.85%	106.24	Discounted
FR89	6.875	15-Aug-51	28.23	100.09	6.87%	6.87%	100.02	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

PT MNC SEKURITAS

MNC Financial Center Lt. 14 – 16

Jl. Kebon Sirih No. 21 - 27, Jakarta Pusat 10340

Telp : (021) 2980 3111

Fax : (021) 3983 6899

Call Center : 1500 899

Disclaimer

This research report has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.