

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,704.23	-0.62
STI	3,207.72	-0.20
HSI	18,746.92	-1.93
SSEC	3,201.26	-0.11
FTSE	7,570.65	-0.74
GDAX	15,793.80	-0.31
DJI	32,764.65	-0.11
S&P 500	4,151.28	+0.88
NDX	12,698.09	+1.71

10-yr Bond	Last	bps
ID	6.41	0.00
US	3.82	+7.00
UK	4.37	+16.00
JP	0.42	+1.00
CN	2.71	+1.00
MY	3.80	+3.00
TH	2.59	+7.00

Exchange Rate	Last	%
USD/IDR	14,953	+0.36
EUR/IDR	16,042	+0.16
GBP/IDR	18,437	+0.13
HKD/IDR	1,909	+0.37
SGD/IDR	11,045	+0.10
AUD/IDR	9,725	-0.05

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	92.38	+2.6
VIX	19.14	-4.4

Sources : Bloomberg, MNCS

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Global Market Updates

- US government bond prices were again traded down weighed by sentiment of its recent sovereign credit rating amidst ongoing negotiation of debt ceilings.
- Fitch Ratings provide an AAA rating with negative watch on US. Despite Fitch Ratings expect for resolution ahead the crucial time of US may not meet their obligation, yields on government bond keep rising.
- Yields on US government bond for the long-term 10-year rose 7 bps to 3.82% while the short-term bond yield jumped 15 bps to 4.53% on Thursday (May 25, 2023)
- US stock market were mixed last night with the DJI fell 0.11% but NDX appreciated 1.71% and leading the gain.
- Markets recently bet on 52.2% of another 25 bps hike on FOMC's upcoming meeting after previously expect a pause.

Domestic Market Updates

- The benchmark LCY government bond yield for 10-year (FR0096) was flat at 6.41% on Thursday (May 25, 2023).
- The IDR has depreciated against USD and closed at IDR14,953/USD. The domestic currency is again approaching to psychological level of IDR15,000/USD given DXY appreciation recently.
- Bank Indonesia (BI) maintained its 7-day reverse repo rate at 5.75% and reiterating that domestic liquidity should be sufficient to support growth.
- Interestingly, BI's governor Perry Warjiyo, unlike in the previous press conference, did not state that Indonesia's economic growth potential would be slightly upward bias of 4.5-5.3% for FY23E given moderation of fixed investment.
- There may be several factors affecting investment as this year also marking a political year by which may of economic actors tend to wait and see prior to making decision for any investment which could limit potential upside of output growth in our view.
- However, with the still massive net foreign purchase in the government bond & prudent fiscal management, this could help stabilize domestic government bond market.

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 : FR0090, FR0054, FR0091, FR0096 and FR0062.

Exhibit 3. Benchmark LCY Government Bond Prices (May 25, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.43	6.05%	101.40	6.06%
FR0096	10-year	104.18	6.41%	104.22	6.41%
FR0098	15-year	104.11	6.69%	104.09	6.69%
FR0097	20-year	104.04	6.75%	104.08	6.75%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (May 25, 2023)

Rating	0.1	1	3	5	10
AAA	42.13	50.55	57.24	63.25	71.64
AA	51.99	89.57	120.56	143.58	165.08
A	163.30	202.64	237.75	277.84	349.93
BBB	336.13	398.04	444.20	495.39	593.09

Sources : IBPA, MNCS

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

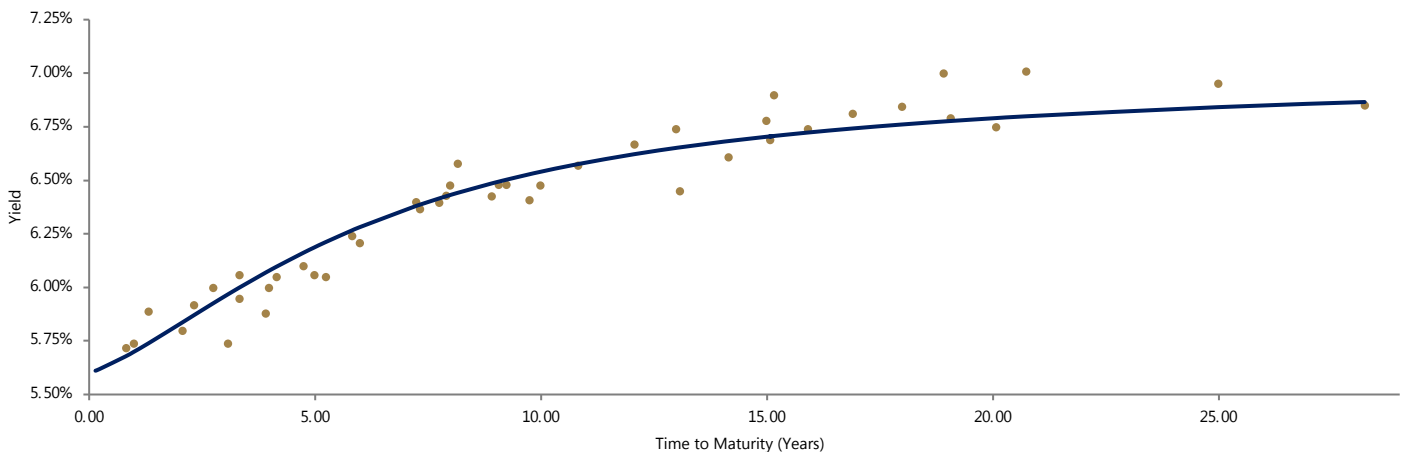
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	18.83
Banks	33.51	33.24	31.93	29.82	31.01
Foreign	15.10	14.79	14.89	14.86	14.92
MF, IF & PF	18.99	19.39	19.86	19.81	19.84

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (May 25, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.14	100.50	5.06%	5.61%	100.52	Premium
FR39	11.750	15-Aug-23	0.22	101.80	2.79%	5.62%	101.33	Premium
FR70	8.375	15-Mar-24	0.81	102.02	5.72%	5.68%	102.08	Fair
FR77	8.125	15-May-24	0.97	102.20	5.74%	5.70%	102.26	Fair
FR44	10.000	15-Sep-24	1.31	105.05	5.89%	5.74%	105.28	Discounted
FR81	6.500	15-Jun-25	2.06	101.33	5.80%	5.84%	101.27	Fair
FR40	11.000	15-Sep-25	2.31	110.74	5.92%	5.87%	110.90	Fair
FR84	7.250	15-Feb-26	2.73	103.08	6.00%	5.92%	103.28	Fair
FR86	5.500	15-Jun-26	3.06	99.37	5.74%	5.97%	98.71	Premium
FR37	12.000	15-Sep-26	3.31	117.25	6.06%	6.00%	117.75	Fair
FR56	8.375	15-Sep-26	3.31	107.14	5.95%	6.00%	107.02	Fair
FR90	5.125	15-Apr-27	3.89	97.40	5.88%	6.07%	96.77	Premium
FR59	7.000	15-May-27	3.97	103.48	6.00%	6.08%	103.21	Fair
FR42	10.250	15-Jul-27	4.14	115.13	6.05%	6.10%	114.99	Fair
FR47	10.000	15-Feb-28	4.73	115.60	6.10%	6.16%	115.52	Fair
FR64	6.125	15-May-28	4.97	100.27	6.06%	6.19%	99.74	Premium
FR95	6.375	15-Aug-28	5.23	101.43	6.05%	6.21%	100.71	Premium
FR71	9.000	15-Mar-29	5.81	113.24	6.24%	6.27%	113.13	Fair
FR78	8.250	15-May-29	5.97	110.03	6.21%	6.28%	109.68	Fair
FR52	10.500	15-Aug-30	7.23	123.00	6.40%	6.38%	123.54	Fair
FR82	7.000	15-Sep-30	7.31	103.65	6.37%	6.39%	103.53	Fair
FR87	6.500	15-Feb-31	7.73	100.59	6.40%	6.41%	100.50	Fair
FR85	7.750	15-Apr-31	7.89	107.85	6.43%	6.42%	108.09	Fair
FR73	8.750	15-May-31	7.97	113.97	6.48%	6.43%	114.29	Fair
FR54	9.500	15-Jul-31	8.14	117.75	6.58%	6.44%	119.13	Discounted
FR91	6.375	15-Apr-32	8.89	99.59	6.43%	6.48%	99.26	Fair
FR58	8.250	15-Jun-32	9.06	111.95	6.48%	6.49%	111.88	Fair
FR74	7.500	15-Aug-32	9.23	106.98	6.48%	6.50%	106.83	Fair
FR96	7.000	15-Feb-33	9.73	104.18	6.41%	6.53%	103.35	Premium
FR65	6.625	15-May-33	9.97	101.05	6.48%	6.54%	100.62	Fair
FR68	8.375	15-Mar-34	10.81	113.75	6.57%	6.58%	113.75	Fair
FR80	7.500	15-Jun-35	12.06	106.76	6.67%	6.62%	107.21	Fair
FR72	8.250	15-May-36	12.97	112.90	6.74%	6.65%	113.75	Fair
FR88	6.250	15-Jun-36	13.06	98.00	6.45%	6.65%	96.51	Premium
FR45	9.750	15-May-37	13.97	118.35	7.57%	6.68%	127.62	Discounted
FR93	6.375	15-Jul-37	14.14	97.75	6.61%	6.68%	97.20	Fair
FR75	7.500	15-May-38	14.97	106.72	6.78%	6.70%	107.46	Fair
FR50	10.500	15-Jul-38	15.14	133.50	6.90%	6.71%	135.71	Discounted
FR98	7.125	15-Jun-38	15.06	104.11	6.69%	6.70%	103.94	Fair
FR79	8.375	15-Apr-39	15.89	115.82	6.74%	6.72%	115.97	Fair
FR83	7.500	15-Apr-40	16.89	106.81	6.81%	6.74%	107.57	Fair
FR57	9.500	15-May-41	17.97	127.20	6.85%	6.76%	128.25	Fair
FR62	6.375	15-Apr-42	18.89	93.25	7.00%	6.77%	95.77	Discounted
FR92	7.125	15-Jun-42	19.06	103.58	6.79%	6.78%	103.69	Fair
FR97	7.125	15-Jun-43	20.06	104.04	6.75%	6.79%	103.63	Fair
FR67	8.750	15-Feb-44	20.73	118.83	7.01%	6.80%	121.50	Discounted
FR76	7.375	15-May-48	24.97	104.98	6.95%	6.84%	106.34	Discounted
FR89	6.875	15-Aug-51	28.23	100.30	6.85%	6.87%	100.10	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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