

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,687.00	-0.26
STI	3,207.39	-0.01
HSI	18,746.92	N/A
SSEC	3,212.50	+0.35
FTSE	7,627.20	+0.74
GDAX	15,983.97	+1.20
DJI	33,093.34	+1.00
S&P 500	4,205.45	+1.30
NDX	12,975.69	+2.19

10-yr Bond	Last	bps
ID	6.41	0.00
US	3.80	-2.00
UK	4.33	-4.00
JP	0.41	-1.00
CN	2.72	+1.00
MY	3.78	-2.00
TH	2.59	0.00

Exchange Rate	Last	%
USD/IDR	14,955	+0.01
EUR/IDR	16,059	+0.11
GBP/IDR	18,488	+0.28
HKD/IDR	1,909	0.00
SGD/IDR	11,069	+0.22
AUD/IDR	9,780	+0.57

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	92.02	-0.4
VIX	17.95	-6.2

Sources : Bloomberg, MNCS

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Global Market Updates

- A mix trading was seen in US government bond market, by which triggering yield curve to flatten. The short-term rates rise while the long-term rates dropped.
- Yields on US government bond for the long-term 10-year fell 2 bps to 3.80% while the short-term bond yield increased 3 bps to 4.56% on Friday (May 26, 2023)
- Despite the flattening yield curve, US stock market were traded up on the last trading day in the previous week.
- Most of benchmark equity indices appreciated more than 1% with the NDX led the gain after jumping 2.19% in a day.
- Higher than expected PCE inflation on Apr-23 has triggered market expectation that Fed would deliver another 25 bps hike in Jun-23 FOMC meeting.
- Based on the latest CME FedWatch tools, there is 60.7% probability of FFR to be raised to 5.25-5.50% from 5.00-5.25% now.
- The probability of rate hike has risen after Fed preferred inflation gauge of PCE rose 0.4% MoM in Apr-23 beating 0.3% MoM of consensus estimate.
- However, the progressive of debt ceiling negotiation between President Joe Biden and Republican leader of Kevin McCarthy put hope that the largest economy in the world would avert defaulting.

Domestic Market Updates

- The benchmark LCY government bond yield for 10-year (FR0096) was flat at 6.41% on Friday (May 26, 2023).
- The IDR has depreciated against USD and other currencies. It was traded and closed at IDR14,955/USD and approaching IDR15,000/USD psychological level. Indonesia's 5-year CDS remained stable at 92 bps on the last trading day of previous week.
- Bank Indonesia (BI) reported net foreign selling in the government bond amounted at IDR0.76tn during May 22-25.
- Net foreign selling pressure was considered to be relatively small and thus could not affect government bond price substantially.

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 26, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.37	6.06%	101.43	6.05%
FR0096	10-year	104.20	6.41%	104.18	6.41%
FR0098	15-year	104.00	6.70%	104.11	6.69%
FR0097	20-year	104.05	6.75%	104.04	6.75%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (May 26, 2023)

Rating	0.1	1	3	5	10
AAA	42.15	50.51	57.30	63.26	71.65
AA	51.98	89.58	120.54	143.61	165.08
A	163.31	202.63	237.77	277.85	349.95
BBB	336.14	398.05	444.16	495.42	593.06

Sources : IBPA, MNCS

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

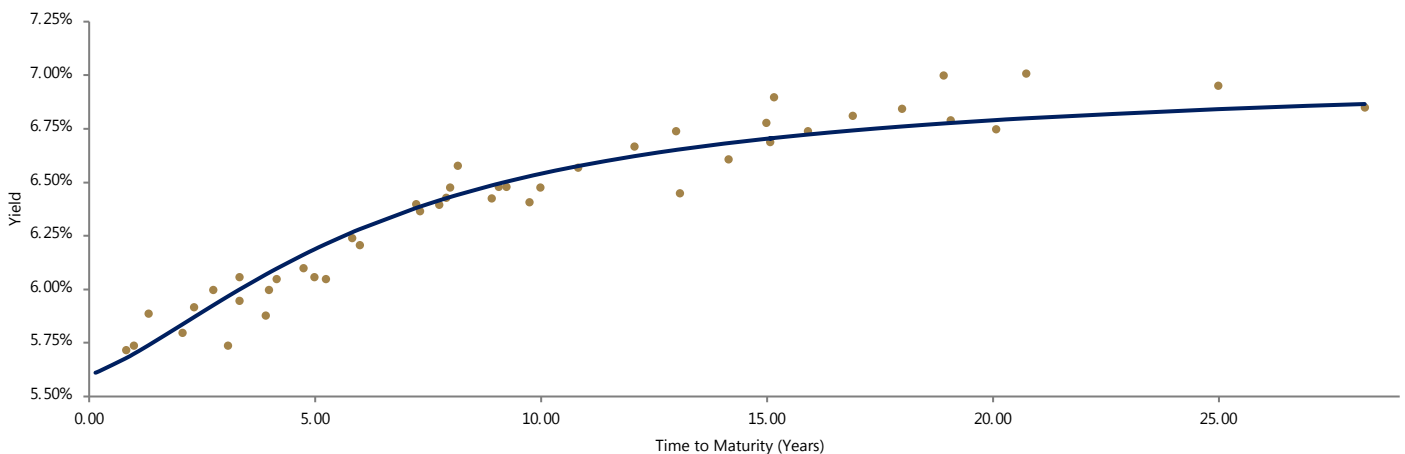
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	18.83
Banks	33.51	33.24	31.93	29.82	31.01
Foreign	15.10	14.79	14.89	14.86	14.92
MF, IF & PF	18.99	19.39	19.86	19.81	19.84

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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