

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,681.10	-0.09
STI	3,195.22	-0.38
HSI	18,551.11	-1.04
SSEC	3,221.45	0.28
FTSE	7,627.20	0.00
GDAX	15,952.73	-0.20
DJI	33,093.34	0.00
S&P 500	4,205.45	0.00
NDX	12,975.69	0.00
10-yr Bond	Last	bps
ID	6.38	-3.00
US	3.80	0.00
UK	4.33	0.00
JP	0.43	+2.00
CN	2.71	-1.00
MY	3.76	-2.00
TH	2.57	-2.00
Exchange Rate	Last	%
USD/IDR	14,972	+0.11
EUR/IDR	16,053	+0.01
GBP/IDR	18,483	0.00
HKD/IDR	1,912	+0.16
SGD/IDR	11,066	+0.03
AUD/IDR	9,796	+0.44

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	90.30	-1.9
VIX	17.46	-2.7

Sources : Bloomberg, MNCS

**Research Analyst**

Tirta Citradi

tirta.citradi@mncgroup.com

**Global Market Updates**

- Wall Street closed in commemoration of Memorial Day to start this week. However markets were quite relief after progressive negotiation of debt ceiling was reached.
- Nearly two weeks ahead of FOMC meeting, markets bet that Fed would raise another 25 bps of FFR with the probability of 63%.
- Another rate hike now dominating market expectation as Fed officials continued to reiterate and emphasize on price stability.
- Sentiments across markets were minimum given lack of data release while investors will pay attention on job reports.
- Elsewhere in Asia, Japan reported its unemployment rate dropped to 2.6% in Apr-23 from 14-month high of 2.8% in the previous month. Furthermore, Japan unemployment rate was also below market estimates of 2.7%.

**Domestic Market Updates**

- Most of benchmark short-term & long-term LCY government bond prices were traded up on Monday (May 29, 2023).
- The benchmark of 5-year government bond yield fell 2 bps to 6.04%, whereas the benchmark 10-year yield dropped 3 bps to 6.38% yesterday.
- The IDR has again depreciated against USD and other currencies. It was traded and closed at IDR14,972/USD and approaching IDR15,000/USD psychological level.
- However, at the same time, Indonesia's 5-year CDS approaching to 90 bps again after previously stabilized at 92 bps.
- Government has received IDR58.44tn incoming bids in yesterday's SUN auction. The total incoming bids were indeed lower than in previous auction which reached IDR65.45tn.
- However, of the 8 series offered, the total awarded bids were at IDR15tn or IDR2tn below its indicative target.
- Considering recent budget surplus and fiscal consolidation, government bond supply risk could be reduced and thus favoring a more stable prices.

**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 29, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.46	6.04%	101.37	6.06%
FR0096	10-year	104.43	6.38%	104.20	6.41%
FR0098	15-year	104.39	6.66%	104.00	6.70%
FR0097	20-year	104.69	6.70%	104.05	6.75%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (May 29, 2023)**

Rating	0.1	1	3	5	10
AAA	42.16	50.49	57.31	63.24	71.69
AA	51.98	89.59	120.53	143.62	165.08
A	163.31	202.64	237.75	277.85	349.93
BBB	336.14	398.04	444.21	495.41	593.07

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

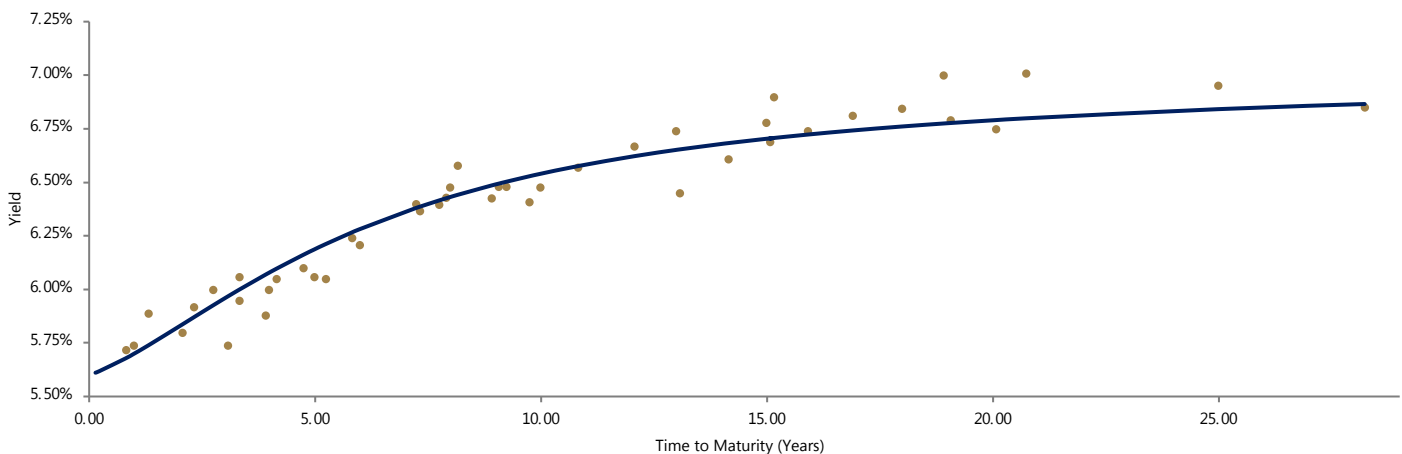
Sources : DJPPR, MNCS

**Exhibit 06. LCY Government Bond Valuation (May 29, 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
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.73</b>	<b>104.18</b>	<b>6.41%</b>	<b>6.53%</b>	<b>103.35</b>	<b>Premium</b>
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

### 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

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