

**Exhibit 1. Daily Market Updates**

| Equity  | Last      | %     |
|---------|-----------|-------|
| JCI     | 6,769.63  | -0.27 |
| STI     | 3,259.70  | -0.21 |
| HSI     | 20,297.03 | +1.24 |
| SSEC    | 3,395.00  | +1.81 |
| FTSE    | 7,778.38  | +0.00 |
| GDAX    | 15,952.83 | -0.05 |
| DJI     | 33,618.69 | -0.17 |
| S&P 500 | 4,138.12  | +0.05 |
| NDX     | 12,256.92 | +0.18 |

| 10-yr Bond | Last | bps   |
|------------|------|-------|
| ID         | 6.46 | +4.00 |
| US         | 3.51 | +7.00 |
| UK         | 3.78 | 0.00  |
| JP         | 0.41 | 0.00  |
| CN         | 2.75 | +2.00 |
| MY         | 3.70 | -2.00 |
| TH         | 2.45 | -2.00 |

| Exchange Rate | Last   | %     |
|---------------|--------|-------|
| USD/IDR       | 14,710 | +0.22 |
| EUR/IDR       | 16,175 | -0.35 |
| GBP/IDR       | 18,559 | -0.15 |
| HKD/IDR       | 1,875  | +0.24 |
| SGD/IDR       | 11,114 | +0.09 |
| AUD/IDR       | 9,965  | -0.16 |

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

| Category | Last  | %    |
|----------|-------|------|
| 5-yr CDS | 97.51 | -2.0 |
| VIX      | 16.98 | -1.2 |

Sources : Bloomberg, MNCS

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**Global Market Updates**

- US treasury notes yield rose again to start this week. The short term bond of 2-year benchmark yielded 4.00% rising 8 bps from last week position.
- The benchmark 10-year UST note yield increased 7 bps to 3.51% on Monday (May 8, 2023).
- US stock market closed mixed, with the DJI fell by 0.17%, whereas S&P 500 and NDX increased 0.05% and 0.18% respectively.
- The ongoing concern around US debt ceiling continued. US is now on the bring of inability to meet all their obligation if the ceiling is not hiked.
- Furthermore, markets also wait for Apr-23 inflation data. Broad market consensus expect 5.0% YoY inflation rate.
- Despite the ongoing concern around debt ceiling as well as weakening of the economy, there is 9.7% probability of Fed to raise another 25 bps in Jun-23 meeting according to FedWatch Tools.

**Domestic Market Updates**

- The benchmark LCY government bond prices fell to start this week after posted gain last week.
- The benchmark 10-year (FR0096) yield experienced 4 bps increase to 6.46% on Monday (May 8, 2023).
- The IDR depreciated against USD and closed at 14,710/USD on Monday, whilst the 5-year CDS also fell to 97.51 bps.
- Bank Indonesia (BI) reported Indonesia's FX position stood at USD144.2bn in Apr-23 or decreasing by USD1bn from previous month position.
- The decline in FX reserves was attributable to government's external debt payment as well as raising liquidity needs during holiday season as well as for imports despite inflows in the market continued.

**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 6.40-6.60% for today.
- Attractive Indo GB series to be traded today : FR0046, FR0070, FR0077, FR0044, FR0081, FR0056, FR0096, and FR0088.

**Exhibit 3. Benchmark LCY Government Bond Prices (May 8, 2023)**

| Series | Benchmark | Last Price | YTM   | -1D Price | -1D YTM |
|--------|-----------|------------|-------|-----------|---------|
| FR0095 | 5-year    | 100.91     | 6.17% | 100.97    | 6.16%   |
| FR0096 | 10-year   | 103.82     | 6.46% | 104.14    | 6.42%   |
| FR0098 | 15-year   | 103.22     | 6.78% | 103.26    | 6.78%   |
| FR0097 | 20-year   | 102.93     | 6.85% | 103.19    | 6.83%   |

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (May 8, 2023)**

| Rating | 0.1    | 1      | 3      | 5      | 10     |
|--------|--------|--------|--------|--------|--------|
| AAA    | 51.65  | 54.92  | 54.67  | 57.73  | 63.94  |
| AA     | 63.51  | 81.83  | 110.90 | 134.42 | 152.05 |
| A      | 169.97 | 198.92 | 233.20 | 269.64 | 345.90 |
| BBB    | 343.83 | 397.91 | 437.73 | 496.88 | 588.11 |

Sources : IBPA, MNCS

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

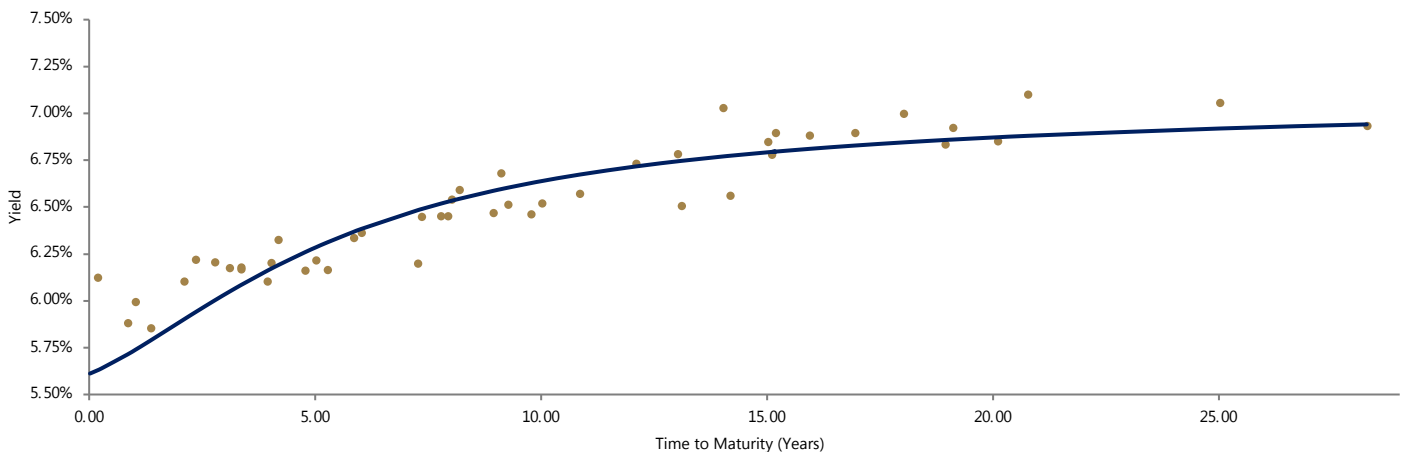
| Series       | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 |
|--------------|--------|--------|--------|--------|--------|
| Central Bank | 17.28  | 17.49  | 18.27  | 20.10  | 20.00  |
| Banks        | 33.51  | 33.24  | 31.93  | 29.82  | 29.86  |
| Foreign      | 15.10  | 14.79  | 14.89  | 14.86  | 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 08, 2023)**

| Series      | Coupon       | Maturity         | TTM         | Last Price    | YTM          | Yield Curve  | Fair Price    | Notes      |
|-------------|--------------|------------------|-------------|---------------|--------------|--------------|---------------|------------|
| FR63        | 5.625        | 15-May-23        | 0.02        | 100.01        | 5.09%        | 5.61%        | 100.00        | Premium    |
| FR46        | 9.500        | 15-Jul-23        | 0.19        | 100.58        | 6.13%        | 5.63%        | 100.69        | Discounted |
| FR39        | 11.750       | 15-Aug-23        | 0.27        | 101.86        | 4.61%        | 5.64%        | 101.61        | Premium    |
| FR70        | 8.375        | 15-Mar-24        | 0.85        | 102.02        | 5.88%        | 5.71%        | 102.17        | Discounted |
| FR77        | 8.125        | 15-May-24        | 1.02        | 102.06        | 6.00%        | 5.74%        | 102.33        | Discounted |
| FR44        | 10.000       | 15-Sep-24        | 1.36        | 105.28        | 5.86%        | 5.79%        | 105.39        | Fair       |
| FR81        | 6.500        | 15-Jun-25        | 2.10        | 100.76        | 6.10%        | 5.90%        | 101.16        | Discounted |
| FR40        | 11.000       | 15-Sep-25        | 2.36        | 110.27        | 6.22%        | 5.94%        | 110.95        | Discounted |
| FR84        | 7.250        | 15-Feb-26        | 2.78        | 102.60        | 6.21%        | 6.00%        | 103.13        | Discounted |
| FR86        | 5.500        | 15-Jun-26        | 3.10        | 98.21         | 6.17%        | 6.05%        | 98.46         | Discounted |
| FR37        | 12.000       | 15-Sep-26        | 3.36        | 117.38        | 6.17%        | 6.08%        | 117.69        | Fair       |
| FR56        | 8.375        | 15-Sep-26        | 3.36        | 106.53        | 6.18%        | 6.08%        | 106.84        | Discounted |
| FR90        | 5.125        | 15-Apr-27        | 3.94        | 96.61         | 6.11%        | 6.16%        | 96.43         | Fair       |
| FR59        | 7.000        | 15-May-27        | 4.02        | 102.79        | 6.20%        | 6.17%        | 102.91        | Fair       |
| FR42        | 10.250       | 15-Jul-27        | 4.19        | 114.20        | 6.33%        | 6.19%        | 114.76        | Discounted |
| FR47        | 10.000       | 15-Feb-28        | 4.77        | 115.63        | 6.16%        | 6.26%        | 115.22        | Premium    |
| FR64        | 6.125        | 15-May-28        | 5.02        | 99.61         | 6.22%        | 6.29%        | 99.32         | Fair       |
| FR95        | 6.375        | 15-Aug-28        | 5.27        | 100.91        | 6.17%        | 6.31%        | 100.27        | Premium    |
| FR71        | 9.000        | 15-Mar-29        | 5.85        | 112.83        | 6.34%        | 6.37%        | 112.68        | Fair       |
| FR78        | 8.250        | 15-May-29        | 6.02        | 109.30        | 6.36%        | 6.38%        | 109.21        | Fair       |
| FR52        | 10.500       | 15-Aug-30        | 7.27        | 124.83        | 6.20%        | 6.48%        | 122.98        | Premium    |
| FR82        | 7.000        | 15-Sep-30        | 7.36        | 103.17        | 6.45%        | 6.49%        | 102.94        | Fair       |
| FR87        | 6.500        | 15-Feb-31        | 7.78        | 100.27        | 6.45%        | 6.52%        | 99.88         | Fair       |
| FR85        | 7.750        | 15-Apr-31        | 7.94        | 107.95        | 6.45%        | 6.53%        | 107.47        | Fair       |
| FR73        | 8.750        | 15-May-31        | 8.02        | 113.61        | 6.54%        | 6.53%        | 113.66        | Fair       |
| FR54        | 9.500        | 15-Jul-31        | 8.19        | 118.13        | 6.59%        | 6.54%        | 118.49        | Fair       |
| FR91        | 6.375        | 15-Apr-32        | 8.94        | 99.35         | 6.47%        | 6.59%        | 98.58         | Premium    |
| FR58        | 8.250        | 15-Jun-32        | 9.10        | 110.56        | 6.68%        | 6.60%        | 111.18        | Fair       |
| FR74        | 7.500        | 15-Aug-32        | 9.27        | 106.75        | 6.52%        | 6.60%        | 106.13        | Fair       |
| <b>FR96</b> | <b>7.000</b> | <b>15-Feb-33</b> | <b>9.78</b> | <b>103.82</b> | <b>6.46%</b> | <b>6.63%</b> | <b>102.63</b> | Premium    |
| FR65        | 6.625        | 15-May-33        | 10.02       | 100.74        | 6.52%        | 6.64%        | 99.90         | Premium    |
| FR68        | 8.375        | 15-Mar-34        | 10.85       | 113.80        | 6.57%        | 6.67%        | 112.98        | Premium    |
| FR80        | 7.500        | 15-Jun-35        | 12.10       | 106.28        | 6.73%        | 6.72%        | 106.41        | Fair       |
| FR72        | 8.250        | 15-May-36        | 13.02       | 112.52        | 6.79%        | 6.74%        | 112.91        | Fair       |
| FR88        | 6.250        | 15-Jun-36        | 13.10       | 97.75         | 6.51%        | 6.75%        | 95.72         | Premium    |
| FR45        | 9.750        | 15-May-37        | 14.02       | 124.00        | 7.03%        | 6.77%        | 126.71        | Discounted |
| FR93        | 6.375        | 15-Jul-37        | 14.19       | 98.28         | 6.56%        | 6.77%        | 96.39         | Premium    |
| FR75        | 7.500        | 15-May-38        | 15.02       | 106.04        | 6.85%        | 6.79%        | 106.60        | Fair       |
| FR50        | 10.500       | 15-Jul-38        | 15.19       | 133.55        | 6.90%        | 6.80%        | 134.73        | Discounted |
| FR98        | 7.125        | 15-Jun-38        | 15.10       | 103.22        | 6.78%        | 6.79%        | 103.08        | Fair       |
| FR79        | 8.375        | 15-Apr-39        | 15.94       | 114.28        | 6.88%        | 6.81%        | 115.06        | Fair       |
| FR83        | 7.500        | 15-Apr-40        | 16.94       | 105.95        | 6.90%        | 6.83%        | 106.68        | Fair       |
| FR57        | 9.500        | 15-May-41        | 18.02       | 125.38        | 7.00%        | 6.85%        | 127.25        | Discounted |
| FR62        | 6.375        | 15-Apr-42        | 18.94       | 95.15         | 6.83%        | 6.86%        | 94.92         | Fair       |
| FR92        | 7.125        | 15-Jun-42        | 19.10       | 102.10        | 6.92%        | 6.86%        | 102.79        | Fair       |
| FR97        | 7.125        | 15-Jun-43        | 20.10       | 102.93        | 6.85%        | 6.87%        | 102.72        | Fair       |
| FR67        | 8.750        | 15-Feb-44        | 20.77       | 117.72        | 7.10%        | 6.88%        | 120.49        | Discounted |
| FR76        | 7.375        | 15-May-48        | 25.02       | 103.72        | 7.06%        | 6.92%        | 105.38        | Discounted |
| FR89        | 6.875        | 15-Aug-51        | 28.27       | 99.25         | 6.93%        | 6.94%        | 99.17         | 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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