

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,664.67	+0.38
STI	3,189.68	-0.06
HSI	18,794.13	-0.51
SSEC	3,150.62	-1.48
FTSE	7,453.58	-0.11
GDAX	15,813.06	-0.11
DJI	33,714.71	-0.04
S&P 500	4,328.82	-0.45
NDX	13,335.78	-1.16

10-yr Bond	Last	Bps
ID	6.27	-0.78
US	3.72	-1.35
UK	4.30	-1.90
JP	0.36	-0.80
CN	2.67	-0.40
MY	3.83	-0.70
TH	2.56	-2.70

Exchange Rate	Last	%
USD/IDR	15,015	+0.14%
EUR/IDR	16,364	+0.56%
GBP/IDR	19,135	+0.49%
HKD/IDR	1,919	+0.19%
SGD/IDR	11,110	+0.19%
AUD/IDR	10,022	-0.12%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	90.56	+3.59
VIX	14.25	+4.1

Sources : Bloomberg, MNCS

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Global Market Updates

- US Equity Indices continue their decline in unison amid investors' angst that the Fed and European central banks, in their unrelenting brawl against inflation, might tilt fragile economies towards a recession.
- Though Dallas's Fed Manufacturing Survey came in at an appalling -23.2, market believes a 2H23 rebound is strongly in order due to the persisting lack of workforce and continued appetite for hiring from service-related for at least the next 6 months, which might just be the recipe for more rate hikes and a flatter yield curve.
- US Treasury notes further declined on Monday as market participants are pricing in their bets for at least one or two hawkish hikes this year.
- The 10-year long-term Treasury yields stood at 3.72%, whereas the yield for 2-year short-term notes plummeted to 4.65%, indicating a yield curve inversion of -0.93%.
- The market is now looking at a 74.4% probability for a rate hike to take place in July's FOMC meeting (vs 71.9% the previous day).
- Markets have brushed aside Russian rebellion tensions sentiments, as is shown by the short-lived bull in gold last week and a VIX index that remained low in 2 years.

Domestic Market Updates

- The benchmark series of LCY government bond mainly closed higher on Monday (Jun 26, 2023). Indonesia's benchmark 10-year LCY government bond yield FR0096 was little changed at 6.27%, as was the other benchmark series.
- IDR mainly closed lower against other major currencies, further depreciating against the USD as the IDR loses its steam amid looming hawkish dollar.
- We continue to observe an increment in the Indonesian 5-yr CDS (up +3.59% to 90.56) starting this week, posting its second consecutive week of relentless uptrend. Credit risk tensions continue to stir up as market weighs Bank Indonesia's (BI) absence of rate hikes as opposed to Fed's hawkish conviction.

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 6.20-6.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0082, FR0084, FR0087, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Jun 26, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	102.06	5.90%	102.04	5.91%
FR0096	10-year	105.19	6.27%	105.15	6.28%
FR0098	15-year	105.98	6.49%	105.94	6.50%
FR0097	20-year	105.86	6.59%	105.85	6.59%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	37.89	56.46	70.10	78.81	94.60
AA	63.22	109.47	131.40	150.34	186.99
A	162.88	218.17	261.04	290.67	354.07
BBB	331.83	400.25	457.01	506.01	595.61

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (May 29, 2023)

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Central Bank	17.28	17.49	18.27	20.10	17.22
Banks	33.51	33.24	31.93	29.82	31.72
Foreign	15.10	14.79	14.89	14.86	15.31
MF, IF & PF	18.99	19.39	19.86	19.81	20.28

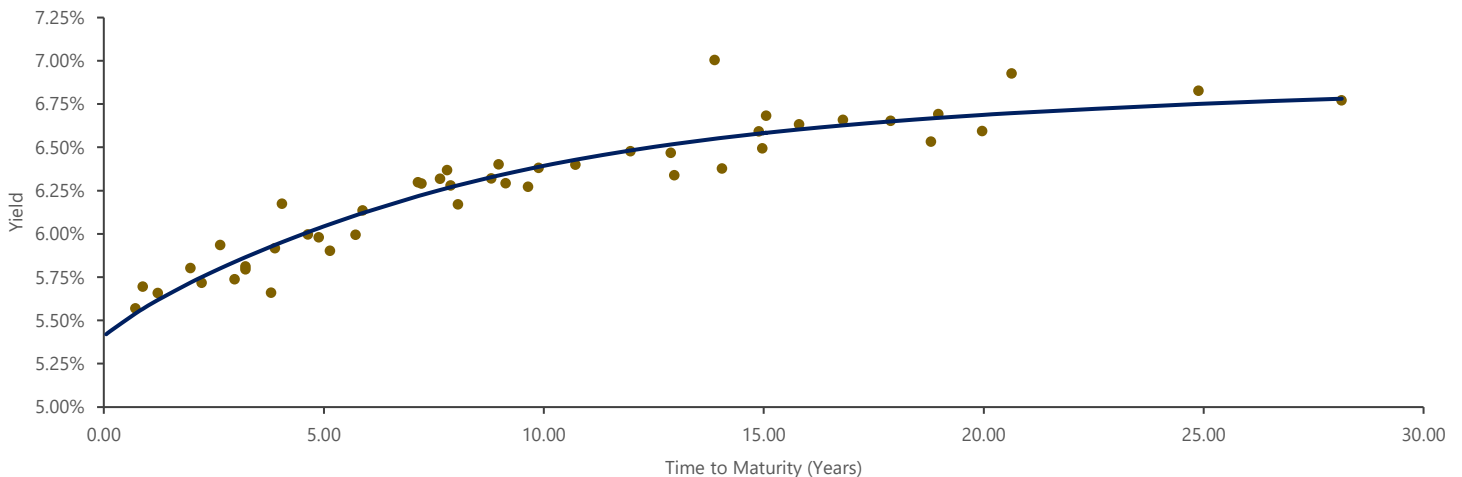
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Jun 26, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.05	100.28	0.43%	5.42%	100.20	Premium
FR39	11.750	15-Aug-23	0.14	100.83	4.33%	5.44%	100.83	Premium
FR70	8.375	15-Mar-24	0.72	101.88	5.57%	5.54%	101.96	Fair
FR77	8.125	15-May-24	0.89	102.01	5.69%	5.57%	102.17	Fair
FR44	10.000	15-Sep-24	1.22	104.95	5.66%	5.62%	105.08	Fair
FR81	6.500	15-Jun-25	1.97	101.26	5.80%	5.72%	101.43	Fair
FR40	11.000	15-Sep-25	2.22	110.75	5.72%	5.75%	110.78	Fair
FR84	7.250	15-Feb-26	2.64	103.14	5.93%	5.80%	103.49	Fair
FR86	5.500	15-Jun-26	2.97	99.39	5.74%	5.84%	99.09	Fair
FR37	12.000	15-Sep-26	3.22	117.87	5.79%	5.87%	117.74	Fair
FR56	8.375	15-Sep-26	3.22	107.37	5.81%	5.87%	107.25	Fair
FR90	5.125	15-Apr-27	3.80	98.20	5.66%	5.93%	97.29	Premium
FR59	7.000	15-May-27	3.89	103.68	5.92%	5.94%	103.64	Fair
FR42	10.250	15-Jul-27	4.05	114.35	6.17%	5.95%	115.27	Discounted
FR47	10.000	15-Feb-28	4.64	115.93	6.00%	6.01%	115.93	Fair
FR64	6.125	15-May-28	4.89	100.60	5.98%	6.03%	100.38	Fair
FR95	6.375	15-Aug-28	5.14	102.06	5.90%	6.06%	101.38	Fair
FR71	9.000	15-Mar-29	5.72	114.32	5.99%	6.11%	113.78	Fair
FR78	8.250	15-May-29	5.89	110.28	6.13%	6.12%	110.38	Fair
FR52	10.500	15-Aug-30	7.14	123.79	6.30%	6.22%	124.37	Fair
FR82	7.000	15-Sep-30	7.22	104.05	6.29%	6.22%	104.45	Fair
FR87	6.500	15-Feb-31	7.64	101.08	6.32%	6.25%	101.47	Fair
FR85	7.750	15-Apr-31	7.80	108.36	6.37%	6.26%	109.05	Fair
FR73	8.750	15-May-31	7.89	115.14	6.28%	6.27%	115.24	Fair
FR54	9.500	15-Jul-31	8.05	120.84	6.17%	6.28%	120.10	Fair
FR91	6.375	15-Apr-32	8.80	100.36	6.32%	6.33%	100.31	Fair
FR58	8.250	15-Jun-32	8.97	112.44	6.40%	6.34%	112.93	Fair
FR74	7.500	15-Aug-32	9.14	108.28	6.29%	6.35%	107.90	Fair
FR96	7.000	15-Feb-33	9.64	105.19	6.27%	6.37%	104.44	Fair
FR65	6.625	15-May-33	9.89	101.76	6.38%	6.39%	101.72	Fair
FR68	8.375	15-Mar-34	10.72	115.13	6.40%	6.43%	114.90	Fair
FR80	7.500	15-Jun-35	11.97	108.42	6.48%	6.48%	108.39	Fair
FR72	8.250	15-May-36	12.89	115.39	6.47%	6.52%	114.95	Fair
FR88	6.250	15-Jun-36	12.97	99.23	6.34%	6.52%	97.67	Fair
FR45	9.750	15-May-37	13.89	124.11	7.00%	6.55%	128.89	Discounted
FR93	6.375	15-Jul-37	14.05	99.98	6.38%	6.55%	98.36	Fair
FR75	7.500	15-May-38	14.89	108.52	6.59%	6.58%	108.65	Fair
FR50	10.500	15-Jul-38	15.05	135.85	6.68%	6.58%	137.05	Fair
FR98	7.125	15-Jun-38	14.97	105.98	6.49%	6.58%	105.13	Fair
FR79	8.375	15-Apr-39	15.80	116.87	6.63%	6.60%	117.21	Fair
FR83	7.500	15-Apr-40	16.80	108.43	6.66%	6.63%	108.76	Fair
FR57	9.500	15-May-41	17.89	129.50	6.65%	6.65%	129.55	Fair
FR62	6.375	15-Apr-42	18.80	98.31	6.53%	6.67%	96.89	Fair
FR92	7.125	15-Jun-42	18.97	104.62	6.69%	6.67%	104.86	Fair
FR97	7.125	15-Jun-43	19.97	105.86	6.59%	6.69%	104.79	Fair
FR67	8.750	15-Feb-44	20.64	119.86	6.93%	6.70%	122.77	Discounted
FR76	7.375	15-May-48	24.89	106.52	6.83%	6.75%	107.47	Fair
FR89	6.875	15-Aug-51	28.14	101.29	6.77%	6.78%	101.17	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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