

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,716.46	-0.60
STI	3,139.47	-0.35
HSI	18,365.70	-0.90
SSEC	3,196.61	-0.28
FTSE	7,256.94	-0.32
GDAX	15,603.40	+0.48
DJI	33,734.88	-0.55
S&P 500	4,398.95	-0.29
NDX	13,660.72	-0.13

10-yr Bond	Last	Bps
ID	6.23	+4.61
US	4.06	+3.26
UK	4.65	-1.00
JP	0.43	+1.40
CN	2.64	+0.00
MY	3.90	+1.40
TH	2.56	+2.00

Exchange Rate	Last	%
USD/IDR	15,135	+0.60%
EUR/IDR	16,468	+0.70%
GBP/IDR	19,278	+0.76%
HKD/IDR	1,934	+0.42%
SGD/IDR	11,206	+0.64%
AUD/IDR	10,054	+0.12%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	87.12	+0.0
VIX	14.83	-4.0

Sources : Bloomberg, MNCS

**Research Analyst**

Alif Ihsanario

alif.ihsanario@mncgroup.com

**Global Market Updates**

- Upon last week's closing, Wall Street extended its loss with the DJI having edged down by -0.55%, S&P slid -0.29% and the NDX ticked down -0.13%, as the market weighed on weaker-than-expected increase in June's nonfarm payrolls of +209k (vs forecast of +230k).
- While the hiring slowed down from May's 306k, the 4.4% YoY wage growth (vs consensus forecast of 4.2% YoY) might still uphold inflation and put the Fed to remain on its hawkish track.
- Therefore we saw that market participants have locked in to July's rate hike likelihood: probabilities are now discounted at 92.4% (vs 91.8% on the previous day), with an expected peak rate of 5.42% by Nov-2023.
- We also saw a further increase in US long-term 10-year treasury yield by +3.3 bps, finishing at 4.06% last week, while the shorter-termed 2-year yield shrunk back to 4.94%, leaving the yield curve inversion at -0.88 bps.
- Global bonds was closed mixed; the 10-year UK Gilt retreated from its 14-year high by -1.1 bps to 4.65%, while the 10-year German bund yield climbed +1 bps along with the Japanese govt's 10-year bond that ended 1.4 bps higher to 0.43%

**Domestic Market Updates**

- Indonesia's benchmark series of LCY government bond continued its depreciation upon closing last week (Jul 7, 2023). Indonesia's benchmark 10-year LCY government bond's (FR0096) yield rose by 5 bps, followed suit by all benchmark series.
- We observe foreign outflow to have taken place so far in July (-0.42% MTD of government bond ownership by foreign), while banks and mutual, insurance and pension funds have steadily increased their positions (+1.59 MTD and +0.99% MTD, respectively).
- IDR weakened against most major currencies yesterday. It depreciated against the USD as the USD/IDR rate rose by +0.60% and was closed at IDR15,135.

**Market Forecast**

- Given the recent developments that unfolded within the global and domestic markets, we expect the 10 year Indo GB yield to move within the range of 6.10-6.30% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0081, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Jul 7, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.88	5.94%	102.13	5.88%
FR0096	10-year	105.51	6.23%	105.85	6.18%
FR0098	15-year	107.03	6.39%	107.90	6.30%
FR0097	20-year	107.27	6.47%	107.81	6.42%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 7, 2023)**

Rating	0.1	1	3	5	10
AAA	35.72	54.09	67.62	76.08	91.43
AA	59.79	102.96	129.29	148.81	185.85
A	158.24	214.61	256.89	291.27	353.01
BBB	330.43	393.77	451.40	500.85	591.48

Sources : IBPA, MNCS

**Exhibit 5. Government Bond Ownership by Type (%) (Jun 27, 2023)**

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43
Banks	33.51	33.24	31.93	29.82	31.72	31.06
Foreign	15.10	14.79	14.89	14.86	15.31	15.51
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50

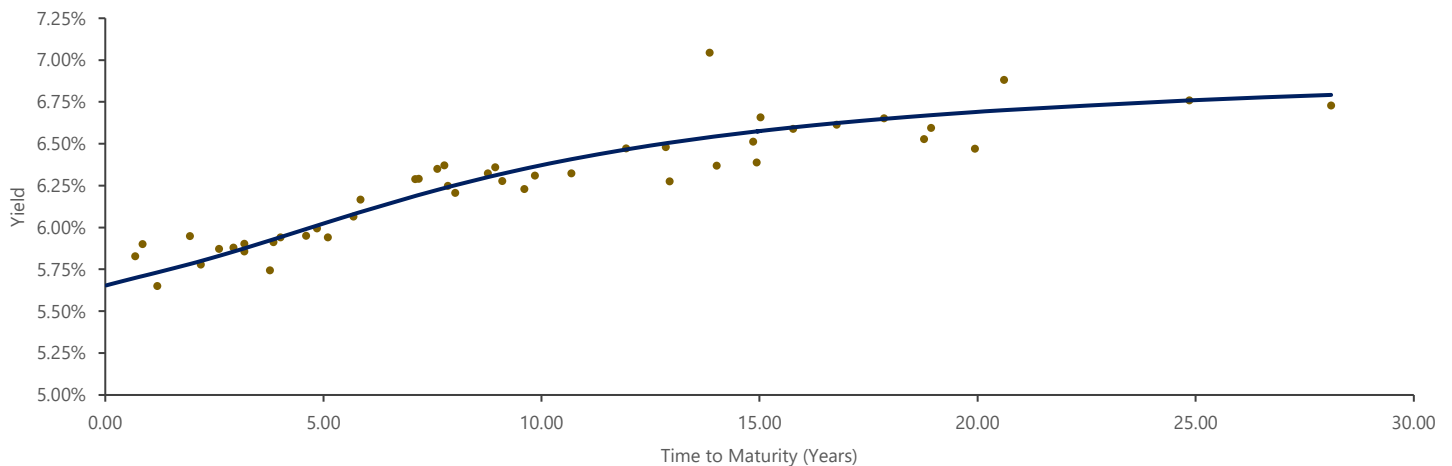
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Jul 7, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.02	100.25	-19.93%	5.65%	100.08	Premium
FR39	11.750	15-Aug-23	0.11	100.73	3.82%	5.66%	100.62	Premium
FR70	8.375	15-Mar-24	0.69	101.65	5.83%	5.70%	101.77	Discounted
FR77	8.125	15-May-24	0.86	101.79	5.90%	5.71%	101.98	Discounted
FR44	10.000	15-Sep-24	1.19	104.87	5.65%	5.73%	104.83	Fair
FR81	6.500	15-Jun-25	1.94	100.99	5.95%	5.78%	101.29	Discounted
FR40	11.000	15-Sep-25	2.19	110.52	5.78%	5.80%	110.53	Fair
FR84	7.250	15-Feb-26	2.61	103.27	5.87%	5.83%	103.38	Fair
FR86	5.500	15-Jun-26	2.94	99.04	5.88%	5.86%	99.05	Fair
FR37	12.000	15-Sep-26	3.19	117.41	5.90%	5.88%	117.56	Fair
FR56	8.375	15-Sep-26	3.19	107.19	5.86%	5.88%	107.16	Fair
FR90	5.125	15-Apr-27	3.77	97.93	5.74%	5.92%	97.33	Premium
FR59	7.000	15-May-27	3.86	103.68	5.91%	5.93%	103.63	Fair
FR42	10.250	15-Jul-27	4.02	115.17	5.94%	5.94%	115.20	Fair
FR47	10.000	15-Feb-28	4.61	116.06	5.95%	5.99%	115.92	Fair
FR64	6.125	15-May-28	4.86	100.53	5.99%	6.01%	100.46	Fair
FR95	6.375	15-Aug-28	5.11	101.88	5.94%	6.03%	101.48	Premium
FR71	9.000	15-Mar-29	5.69	113.91	6.06%	6.08%	113.85	Fair
FR78	8.250	15-May-29	5.86	110.08	6.17%	6.09%	110.48	Fair
FR52	10.500	15-Aug-30	7.11	123.80	6.29%	6.19%	124.48	Discounted
FR82	7.000	15-Sep-30	7.19	104.04	6.29%	6.20%	104.60	Discounted
FR87	6.500	15-Feb-31	7.61	100.89	6.35%	6.22%	101.64	Discounted
FR85	7.750	15-Apr-31	7.77	108.33	6.37%	6.24%	109.20	Discounted
FR73	8.750	15-May-31	7.86	115.32	6.25%	6.24%	115.38	Fair
FR54	9.500	15-Jul-31	8.02	120.55	6.20%	6.25%	120.24	Fair
FR91	6.375	15-Apr-32	8.77	100.33	6.32%	6.30%	100.48	Fair
FR58	8.250	15-Jun-32	8.94	112.72	6.36%	6.31%	113.08	Fair
FR74	7.500	15-Aug-32	9.11	108.38	6.28%	6.32%	108.05	Fair
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.61</b>	<b>105.51</b>	<b>6.23%</b>	<b>6.35%</b>	<b>104.60</b>	Premium
FR65	6.625	15-May-33	9.86	102.28	6.31%	6.36%	101.87	Fair
FR68	8.375	15-Mar-34	10.69	115.75	6.32%	6.41%	115.04	Fair
FR80	7.500	15-Jun-35	11.94	108.45	6.47%	6.47%	108.50	Fair
FR72	8.250	15-May-36	12.86	115.26	6.48%	6.50%	115.04	Fair
FR88	6.250	15-Jun-36	12.94	99.79	6.27%	6.51%	97.77	Premium
FR45	9.750	15-May-37	13.86	123.67	7.04%	6.54%	128.94	Discounted
FR93	6.375	15-Jul-37	14.02	100.06	6.37%	6.55%	98.45	Premium
FR75	7.500	15-May-38	14.86	109.30	6.51%	6.57%	108.70	Fair
FR50	10.500	15-Jul-38	15.02	136.12	6.66%	6.58%	137.08	Fair
FR98	7.125	15-Jun-38	14.94	107.03	6.39%	6.57%	105.18	Premium
FR79	8.375	15-Apr-39	15.77	117.34	6.59%	6.60%	117.24	Fair
FR83	7.500	15-Apr-40	16.77	108.89	6.61%	6.62%	108.77	Fair
FR57	9.500	15-May-41	17.86	129.50	6.65%	6.65%	129.52	Fair
FR62	6.375	15-Apr-42	18.77	98.35	6.53%	6.67%	96.87	Premium
FR92	7.125	15-Jun-42	18.94	105.70	6.59%	6.67%	104.83	Fair
FR97	7.125	15-Jun-43	19.94	107.27	6.47%	6.69%	104.75	Premium
FR67	8.750	15-Feb-44	20.61	120.40	6.88%	6.70%	122.70	Discounted
FR76	7.375	15-May-48	24.86	107.36	6.76%	6.76%	107.35	Fair
FR89	6.875	15-Aug-51	28.11	101.83	6.73%	6.79%	101.02	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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