

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,696.72	+0.52
STI	3,207.10	+0.04
HSI	19,306.59	+2.06
SSEC	3,243.98	+1.31
FTSE	7,527.26	-0.06
GDAX	16,081.04	-0.41
DJI	34,418.47	+0.03
S&P 500	4,455.59	+0.12
NDX	13,816.77	+0.21

10-yr Bond	Last	Bps
ID	6.22	-2.76
US	3.84	+1.78
UK	4.44	+5.20
JP	0.41	+0.40
CN	2.65	+0.50
MY	3.86	+1.30
TH	2.55	-0.80

Exchange Rate	Last	%
USD/IDR	15,025	+0.21%
EUR/IDR	16,367	+0.23%
GBP/IDR	19,048	+0.23%
HKD/IDR	1,919	-0.22%
SGD/IDR	11,119	+0.08%
AUD/IDR	10,006	+0.36%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	84.14	-2.3
VIX	13.57	-0.1

Sources : Bloomberg, MNCS

Research Analyst

Alif Ihsanario

alif.ihsanario@mncgroup.com

Global Market Updates

- Ahead of the July 4th US Independence Day, Wall Street equities managed to scrape off marginal gains while concurrently faced with weakening manufacturing activity data that reached three-year lows.
- The highlight yesterday came in the form of a record breaking US treasury yield curve between the 2-year notes and the longer-termed 10-year notes that touched 111 basis points, of which, if history is any reliable source of lesson, points towards an incoming recession.
- Upon market closing, the 10-year long-term Treasury yields stood at 3.86%, while the yield for 2-year short-term notes shot up by 7 bps to 4.94%.
- The CME Fedwatch consensus has yet recorded another gain in market participants' conviction (86.8% now vs 84.9% the previous day) that the 25 bps rate hike will indeed take place in July despite the Fed's inflation rate gauge having signalled a clear cooldown taking place.
- The market will continue to highlight CNY's and JPY's performance this week which has undergone a spree in decline over the recent months, while the AUD is poised for an uplift ahead of the RBA interest rate decision which consensus believes to be in the form of a 25 bps rate hike.

Domestic Market Updates

- Unanimous appreciation in all benchmark series of LCY government bonds was observed on Monday (Jul 3, 2023). Indonesia's benchmark 10-year LCY government bond yield FR0096 edged down 2 bps to 6.22% as did the other benchmark series.
- IDR was closed mixed against other major currencies, but managed to appreciate against the USD as the USD/IDR slid -0.15% last week.
- Corresponding the US bond market, Indonesia's yield curve spread between the benchmark 2-year (FR0081) and 10-year (FR0096) government bond yields continued to narrow, having stood at 0.39% yesterday, slipping 8 bps from last week.
- This indicates investors' anticipation for no more rate hikes from Bank of Indonesia as yesterday's inflation rate data showed that current monetary measures was on-track.

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, FR0077, FR0084, FR0087.

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

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	102.24	5.86%	102.10	5.89%
FR0096	10-year	105.61	6.22%	105.40	6.24%
FR0098	15-year	106.72	6.42%	106.31	6.46%
FR0097	20-year	106.32	6.55%	106.10	6.57%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 3, 2023)

Rating	0.1	1	3	5	10
AAA	37.89	56.47	70.11	78.81	94.58
AA	63.22	109.46	131.41	150.32	186.99
A	162.89	218.13	261.09	290.65	354.10
BBB	331.82	400.25	457.04	506.01	595.58

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

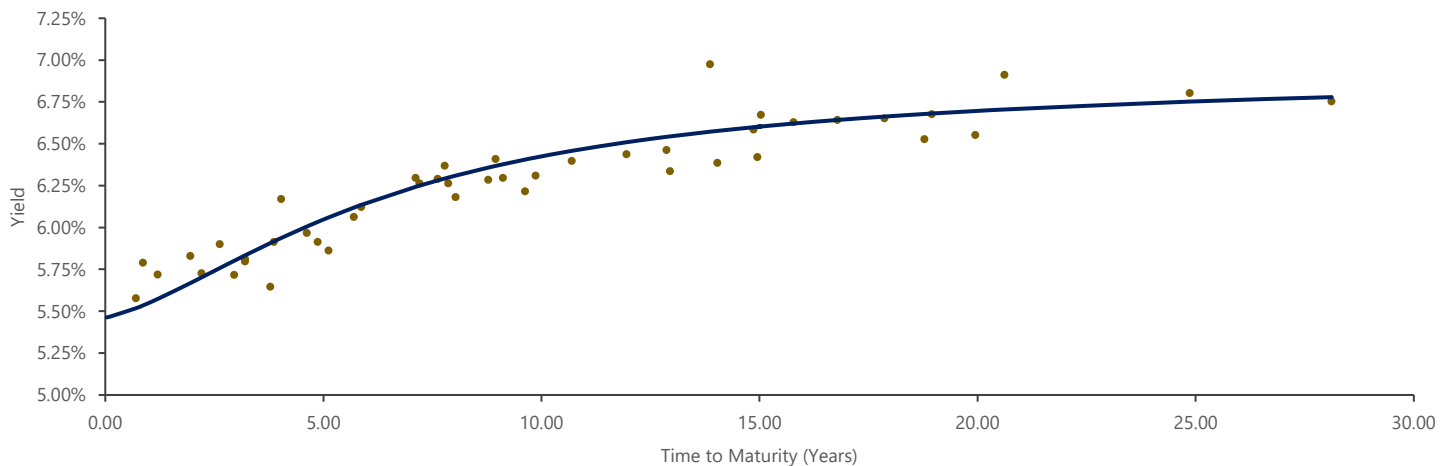
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Jul 3, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.03	100.28	-1.62%	5.46%	100.13	Premium
FR39	11.750	15-Aug-23	0.12	100.83	4.07%	5.47%	100.71	Premium
FR70	8.375	15-Mar-24	0.70	101.86	5.58%	5.52%	101.93	Fair
FR77	8.125	15-May-24	0.87	101.92	5.79%	5.53%	102.15	Discounted
FR44	10.000	15-Sep-24	1.20	104.85	5.72%	5.57%	105.06	Fair
FR81	6.500	15-Jun-25	1.95	101.21	5.83%	5.67%	101.51	Fair
FR40	11.000	15-Sep-25	2.20	110.71	5.73%	5.70%	110.80	Fair
FR84	7.250	15-Feb-26	2.62	103.21	5.90%	5.76%	103.57	Fair
FR86	5.500	15-Jun-26	2.95	99.44	5.72%	5.80%	99.19	Fair
FR37	12.000	15-Sep-26	3.20	117.83	5.80%	5.83%	117.75	Fair
FR56	8.375	15-Sep-26	3.20	107.36	5.81%	5.83%	107.31	Fair
FR90	5.125	15-Apr-27	3.78	98.25	5.64%	5.91%	97.38	Premium
FR59	7.000	15-May-27	3.87	103.69	5.91%	5.92%	103.69	Fair
FR42	10.250	15-Jul-27	4.03	114.35	6.17%	5.94%	115.27	Discounted
FR47	10.000	15-Feb-28	4.62	116.04	5.97%	6.00%	115.90	Fair
FR64	6.125	15-May-28	4.87	100.87	5.91%	6.03%	100.38	Fair
FR95	6.375	15-Aug-28	5.12	102.24	5.86%	6.06%	101.37	Premium
FR71	9.000	15-Mar-29	5.70	113.95	6.06%	6.12%	113.68	Fair
FR78	8.250	15-May-29	5.87	110.34	6.12%	6.13%	110.28	Fair
FR52	10.500	15-Aug-30	7.12	123.80	6.29%	6.24%	124.16	Fair
FR82	7.000	15-Sep-30	7.20	104.21	6.26%	6.25%	104.29	Fair
FR87	6.500	15-Feb-31	7.62	101.24	6.29%	6.28%	101.31	Fair
FR85	7.750	15-Apr-31	7.78	108.36	6.37%	6.29%	108.85	Fair
FR73	8.750	15-May-31	7.87	115.24	6.26%	6.30%	115.02	Fair
FR54	9.500	15-Jul-31	8.03	120.75	6.18%	6.31%	119.87	Fair
FR91	6.375	15-Apr-32	8.78	100.60	6.28%	6.36%	100.11	Fair
FR58	8.250	15-Jun-32	8.95	112.39	6.41%	6.37%	112.69	Fair
FR74	7.500	15-Aug-32	9.12	108.25	6.29%	6.38%	107.67	Fair
FR96	7.000	15-Feb-33	9.62	105.61	6.22%	6.40%	104.22	Premium
FR65	6.625	15-May-33	9.87	102.28	6.31%	6.42%	101.49	Fair
FR68	8.375	15-Mar-34	10.70	115.14	6.40%	6.46%	114.64	Fair
FR80	7.500	15-Jun-35	11.95	108.75	6.44%	6.51%	108.14	Fair
FR72	8.250	15-May-36	12.87	115.44	6.46%	6.54%	114.70	Fair
FR88	6.250	15-Jun-36	12.95	99.24	6.34%	6.54%	97.46	Premium
FR45	9.750	15-May-37	13.87	124.39	6.97%	6.57%	128.62	Discounted
FR93	6.375	15-Jul-37	14.03	99.90	6.39%	6.58%	98.17	Premium
FR75	7.500	15-May-38	14.87	108.58	6.59%	6.60%	108.45	Fair
FR50	10.500	15-Jul-38	15.03	135.97	6.67%	6.60%	136.80	Fair
FR98	7.125	15-Jun-38	14.95	106.72	6.42%	6.60%	104.93	Fair
FR79	8.375	15-Apr-39	15.78	116.91	6.63%	6.62%	117.01	Fair
FR83	7.500	15-Apr-40	16.78	108.60	6.64%	6.64%	108.60	Fair
FR57	9.500	15-May-41	17.87	129.50	6.65%	6.66%	129.38	Fair
FR62	6.375	15-Apr-42	18.78	98.35	6.53%	6.68%	96.78	Fair
FR92	7.125	15-Jun-42	18.95	104.79	6.68%	6.68%	104.74	Fair
FR97	7.125	15-Jun-43	19.95	106.32	6.55%	6.69%	104.69	Fair
FR67	8.750	15-Feb-44	20.62	120.04	6.91%	6.70%	122.67	Discounted
FR76	7.375	15-May-48	24.87	106.81	6.80%	6.75%	107.45	Fair
FR89	6.875	15-Aug-51	28.12	101.53	6.75%	6.78%	101.20	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

Disclaimer

This research report has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.