

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,681.75	-0.22
STI	3,203.77	-0.10
HSI	19,415.68	+0.57
SSEC	3,245.35	+0.04
FTSE	7,519.72	-0.10
GDAX	16,039.17	-0.26
DJI	34,418.47	Closed
S&P 500	4,455.59	Closed
NDX	13,816.77	Closed

10-yr Bond	Last	Bps
ID	6.19	-2.76
US	3.85	Closed
UK	4.42	-2.40
JP	0.39	-1.90
CN	2.65	+0.50
MY	3.88	+2.40
TH	2.54	-1.80

Exchange Rate	Last	%
USD/IDR	14,993	-0.21%
EUR/IDR	16,340	-0.16%
GBP/IDR	19,038	-0.05%
HKD/IDR	1,915	-0.20%
SGD/IDR	11,111	-0.07%
AUD/IDR	10,016	+0.09%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	83.50	-0.8
VIX	13.70	1.0

Sources : Bloomberg, MNCS

**Research Analyst**

Alif Ihsanario

alif.ihsanario@mncgroup.com

**Global Market Updates**

- Wall Street was closed commemorating US Independence Day on Tuesday (Jul 4, 2023).
- As a result, the global stock market saw a relatively light trading activity yesterday.
- The CME Fedwatch consensus remained fixated on a 86.2% probability of a rate hike in to take place in July's FOMC meeting.
- Markets in Asia will be starting the day with the concerning Chinese Caixin PMI release that came in at 53.9 and 52.5 for the Services and Composite PMIs, falling below market forecasts of 56.5 and 55.1, respectively.
- The Caixin PMI primarily depicts the private sector's health, and coupled with large amounts of reverse repos maturing in July poised to suck CNY1.8 trillion from the banking sector, this puts more pressure on the Chinese Govt. to intervene sooner, probably using the 7-day reverse repo and medium-term lending facilities before cutting down the RR later in Aug – Sep-23.
- The CNY might be looking towards more downwards correction, having already depreciated -8% YTD against the IDR.

**Domestic Market Updates**

- The benchmark series of LCY government bonds continued its appreciation spree yesterday (Jul 4, 2023). Indonesia's benchmark 10-year LCY government bond yield FR0096 slipped by another 3 bps to 6.19%, whereas the longer-termed 15-year yield (FR0098) plummeted by a hefty 11 bps, followed suit by 20-year yield (FR0097) that saw a 10 bps fall.
- The affinity towards longer-term yields was reflected in the further narrowing of the yield curve spread between the benchmark 10-year and 2-year yields that stood at 0.36% or slid 3 bps from the previous day.
- We also observe foreign investors, mutual funds, insurance and pension funds to accrue their positions in the Indonesian government bonds.
- IDR managed to appreciate against other major currencies, including USD as the USD/IDR slid by -0.21% yesterday.

**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 : FR0045, FR0067, FR0077, FR0084, FR0087.

**Exhibit 3. Benchmark LCY Government Bond Prices (Jul 4, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	102.20	5.87%	102.24	5.86%
FR0096	10-year	105.83	6.19%	105.61	6.22%
FR0098	15-year	107.82	6.31%	106.72	6.42%
FR0097	20-year	107.55	6.45%	106.32	6.55%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	37.92	56.40	70.18	78.81	94.64
AA	63.22	109.47	131.39	150.34	186.99
A	162.88	218.16	261.04	290.67	354.07
BBB	331.82	400.28	456.98	506.04	595.54

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

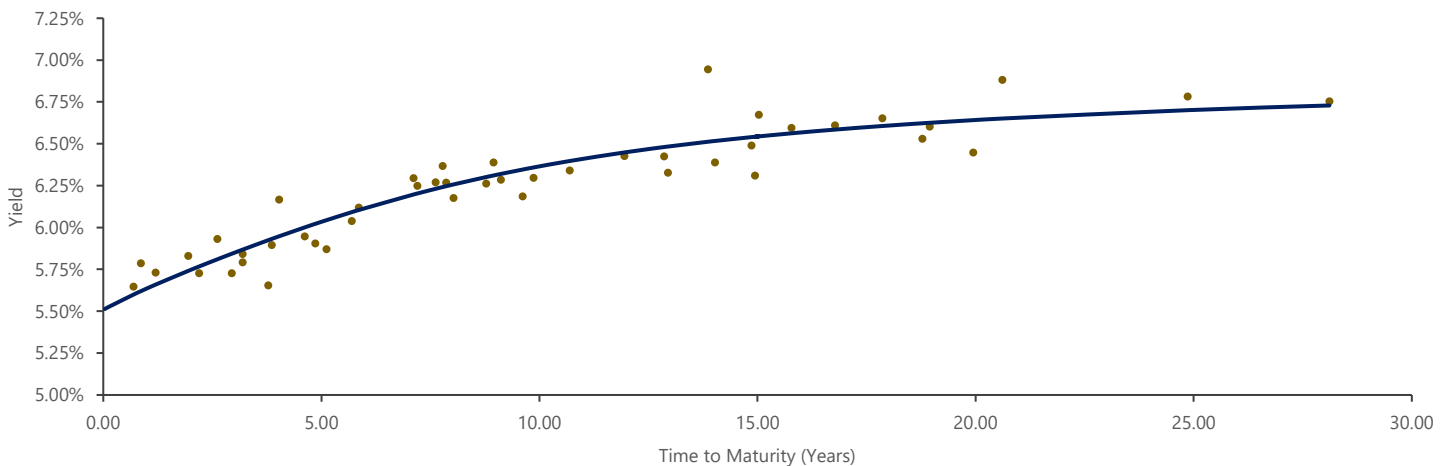
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Jul 4, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR46	9.500	15-Jul-23	0.03	100.36	-6.62%	5.51%	100.11	Premium
FR39	11.750	15-Aug-23	0.12	100.82	3.91%	5.52%	100.69	Premium
FR70	8.375	15-Mar-24	0.70	101.81	5.65%	5.60%	101.86	Fair
FR77	8.125	15-May-24	0.86	101.92	5.78%	5.62%	102.07	Fair
FR44	10.000	15-Sep-24	1.20	104.83	5.73%	5.66%	104.95	Fair
FR81	6.500	15-Jun-25	1.95	101.21	5.83%	5.74%	101.38	Fair
FR40	11.000	15-Sep-25	2.20	110.70	5.73%	5.77%	110.64	Fair
FR84	7.250	15-Feb-26	2.62	103.14	5.93%	5.81%	103.44	Fair
FR86	5.500	15-Jun-26	2.95	99.42	5.73%	5.84%	99.08	Fair
FR37	12.000	15-Sep-26	3.20	117.83	5.79%	5.87%	117.63	Fair
FR56	8.375	15-Sep-26	3.20	107.27	5.84%	5.87%	107.20	Fair
FR90	5.125	15-Apr-27	3.78	98.22	5.65%	5.92%	97.32	Premium
FR59	7.000	15-May-27	3.86	103.76	5.89%	5.93%	103.63	Fair
FR42	10.250	15-Jul-27	4.03	114.35	6.17%	5.95%	115.22	Fair
FR47	10.000	15-Feb-28	4.62	116.12	5.95%	6.00%	115.91	Fair
FR64	6.125	15-May-28	4.86	100.92	5.90%	6.02%	100.42	Fair
FR95	6.375	15-Aug-28	5.12	102.20	5.87%	6.04%	101.43	Fair
FR71	9.000	15-Mar-29	5.70	114.08	6.04%	6.09%	113.81	Fair
FR78	8.250	15-May-29	5.86	110.35	6.12%	6.10%	110.43	Fair
FR52	10.500	15-Aug-30	7.12	123.80	6.29%	6.20%	124.45	Fair
FR82	7.000	15-Sep-30	7.20	104.29	6.25%	6.20%	104.56	Fair
FR87	6.500	15-Feb-31	7.62	101.37	6.27%	6.23%	101.60	Fair
FR85	7.750	15-Apr-31	7.78	108.36	6.37%	6.24%	109.17	Fair
FR73	8.750	15-May-31	7.86	115.21	6.27%	6.25%	115.36	Fair
FR54	9.500	15-Jul-31	8.03	120.79	6.17%	6.26%	120.22	Fair
FR91	6.375	15-Apr-32	8.78	100.74	6.26%	6.30%	100.48	Fair
FR58	8.250	15-Jun-32	8.95	112.53	6.39%	6.31%	113.10	Fair
FR74	7.500	15-Aug-32	9.12	108.33	6.28%	6.32%	108.07	Fair
<b>FR96</b>	<b>7.000</b>	<b>15-Feb-33</b>	<b>9.62</b>	<b>105.83</b>	<b>6.19%</b>	<b>6.35%</b>	<b>104.64</b>	Fair
FR65	6.625	15-May-33	9.86	102.38	6.30%	6.36%	101.92	Fair
FR68	8.375	15-Mar-34	10.70	115.62	6.34%	6.40%	115.14	Fair
FR80	7.500	15-Jun-35	11.95	108.87	6.42%	6.45%	108.67	Fair
FR72	8.250	15-May-36	12.86	115.80	6.42%	6.48%	115.27	Fair
FR88	6.250	15-Jun-36	12.95	99.34	6.33%	6.48%	97.97	Fair
FR45	9.750	15-May-37	13.86	124.71	6.94%	6.51%	129.26	Discounted
FR93	6.375	15-Jul-37	14.03	99.89	6.39%	6.52%	98.71	Fair
FR75	7.500	15-May-38	14.86	109.54	6.49%	6.54%	109.03	Fair
FR50	10.500	15-Jul-38	15.03	135.97	6.67%	6.54%	137.48	Fair
FR98	7.125	15-Jun-38	14.95	107.82	6.31%	6.54%	105.50	Premium
FR79	8.375	15-Apr-39	15.78	117.28	6.59%	6.56%	117.63	Fair
FR83	7.500	15-Apr-40	16.78	108.93	6.61%	6.58%	109.20	Fair
FR57	9.500	15-May-41	17.86	129.50	6.65%	6.61%	130.07	Fair
FR62	6.375	15-Apr-42	18.78	98.34	6.53%	6.62%	97.35	Fair
FR92	7.125	15-Jun-42	18.95	105.61	6.60%	6.63%	105.34	Fair
FR97	7.125	15-Jun-43	19.95	107.55	6.45%	6.64%	105.30	Fair
FR67	8.750	15-Feb-44	20.62	120.41	6.88%	6.65%	123.36	Discounted
FR76	7.375	15-May-48	24.86	107.07	6.78%	6.70%	108.10	Fair
FR89	6.875	15-Aug-51	28.12	101.52	6.75%	6.73%	101.83	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.