

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,931.36	+0.45%
STI	3,373.98	+0.08%
HSI	20,078.94	+0.82%
SSEC	3,291.04	+0.46%
FTSE	7,699.41	+0.07%
GDAX	16,446.83	-0.14%
DJI	35,559.53	+0.28%
S&P 500	4,588.96	+0.15%
NDX	14,346.02	+0.21%

10-yr Bond	Last	Bps
ID	6.23	-3.74
US	3.96	+0.81
UK	4.31	-1.70
JP	0.61	+4.40
CN	2.67	+0.60
MY	3.83	-0.80
TH	2.60	+2.30

Exchange Rate	Last	%
USD/IDR	15,080	-0.10%
EUR/IDR	16,645	+0.56%
GBP/IDR	19,376	+0.18%
HKD/IDR	1,933	-0.21%
SGD/IDR	11,338	+0.08%
AUD/IDR	10,094	+0.60%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	73.77	+0.68
VIX	13.63	+2.3%

Sources : Bloomberg, MNCS

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Global Market Updates

- US equity indices continued last week's gain Monday (Jul 31, 2023), with the S&P closing at its 16-month high, the DJI slightly advancing while Nasdaq seeing hesitant gains ahead of the mega caps', Apple and Amazon, release earnings.
- Minor economic reports Monday showed July Dallas Fed manufacturing outlook beating expectations (-20 vs -22.5), though July Chicago PMI fell short of the consensus (42.8 vs 43.5).
- US Treasury notes changed ever so slightly yesterday, with the 10-year yield having ticked up by only +0.8 bps to 3.96%, while the 2-year yield stood flat at 4.88, rendering the 2-10 year yield curve to be at -0.92.
- China's bearish sentiment streak seems to have metamorphosed into optimism as per yesterday Chinese stocks saw a massive net foreign inflow of CNY49bn or USD6.9bn over the past 5 days, racking a new CNY230bn of YTD net foreign purchases, bolstered by pro-growth Politburo policies.
- The Bank of Japan announced an unscheduled bond-purchasing operation to contain the yield's upsurge as it had jumped to its 9-year high of 0.6% Monday, with economists consensus of a 0.7% yield by the end of 2023E and no further policy tweak should take place until 2H24F. We see this new development to tame down market's volatility.

Domestic Market Updates

- Indonesia's benchmark series of LCY government bonds was closed mixed Monday (Jul 31, 2023), with the 10-year (FR0096) yield retreating to 6.23%.
- The 2-year and 10-year yield curve narrowed to 23 bps (vs previous day's/week's 25 bps/24 bps), whereas the spread between UST 10-year and Indo GB 10-year was little changed.
- IDR continued to stronger against the USD, meanwhile weaken compared to other major currencies Monday. The USD/IDR strengthen by -0.10% in line with Indonesia vibrant economy condition.
- The government sukuk auction held today by the Ministry of Finance (MoF) will feature a new short-term treasury sukuk issuance (SPN-S30012024) with the indicative target kept at IDR6tn. We expect investor demand for sukuk remain high, as the total number of last bids has exceeded the target.

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 6.25-6.30% for today.
- Attractive Indo GB series to be traded today : FR0081, FR0082, FR0087, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Jul 31, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.80	5.95%	101.78	5.96%
FR0096	10-year	105.50	6.23%	105.23	6.26%
FR0098	15-year	106.81	6.41%	106.84	6.40%
FR0097	20-year	107.26	6.47%	107.28	6.47%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Jul 31, 2023)

Rating	0.1	1	3	5	10
AAA	39.06	55.42	66.26	73.78	86.63
AA	60.37	104.35	131.62	156.94	185.61
A	146.60	205.53	245.91	284.13	354.03
BBB	344.61	408.52	459.75	503.93	590.64

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (Jul 28, 2023)

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	15.97
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.67
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.54
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.91

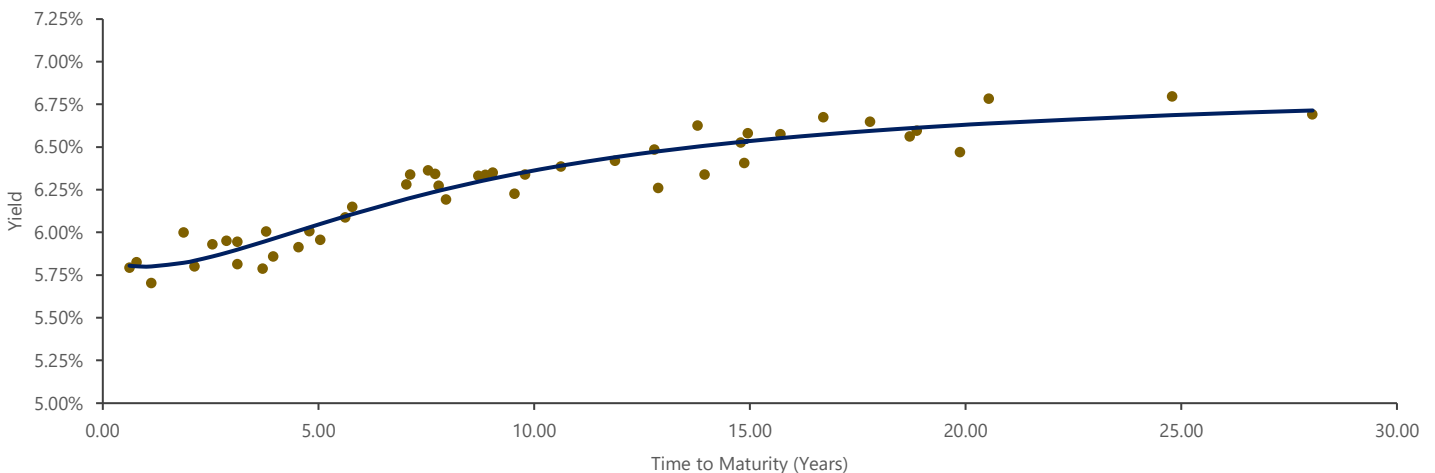
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Jul 31, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR39	11.750	15-Aug-23	0.04	100.39	-0.07%	5.84%	100.23	Premium
FR70	8.375	15-Mar-24	0.62	101.53	5.79%	5.80%	101.54	Fair
FR77	8.125	15-May-24	0.79	101.72	5.82%	5.80%	101.76	Fair
FR44	10.000	15-Sep-24	1.13	104.57	5.70%	5.80%	104.50	Premium
FR81	6.500	15-Jun-25	1.88	100.86	6.00%	5.82%	101.18	Discounted
FR40	11.000	15-Sep-25	2.13	110.21	5.80%	5.83%	110.17	Premium
FR84	7.250	15-Feb-26	2.55	103.06	5.93%	5.86%	103.24	Discounted
FR86	5.500	15-Jun-26	2.87	98.88	5.95%	5.88%	99.00	Discounted
FR37	12.000	15-Sep-26	3.13	117.40	5.81%	5.90%	117.17	Premium
FR56	8.375	15-Sep-26	3.13	106.82	5.94%	5.90%	106.96	Discounted
FR90	5.125	15-Apr-27	3.71	97.81	5.79%	5.94%	97.30	Premium
FR59	7.000	15-May-27	3.79	103.31	6.00%	5.95%	103.51	Discounted
FR42	10.250	15-Jul-27	3.96	115.27	5.86%	5.96%	114.91	Premium
FR47	10.000	15-Feb-28	4.54	116.04	5.91%	6.01%	115.65	Premium
FR64	6.125	15-May-28	4.79	100.48	6.01%	6.03%	100.38	Fair
FR95	6.375	15-Aug-28	5.04	101.80	5.95%	6.05%	101.40	Premium
FR71	9.000	15-Mar-29	5.62	113.67	6.09%	6.09%	113.65	Fair
FR78	8.250	15-May-29	5.79	110.09	6.15%	6.11%	110.31	Discounted
FR52	10.500	15-Aug-30	7.04	123.70	6.28%	6.20%	124.26	Discounted
FR82	7.000	15-Sep-30	7.13	103.74	6.34%	6.20%	104.54	Discounted
FR87	6.500	15-Feb-31	7.55	100.81	6.36%	6.23%	101.61	Discounted
FR85	7.750	15-Apr-31	7.71	108.46	6.34%	6.24%	109.13	Discounted
FR73	8.750	15-May-31	7.79	115.06	6.27%	6.24%	115.26	Fair
FR54	9.500	15-Jul-31	7.96	120.52	6.19%	6.25%	120.10	Premium
FR91	6.375	15-Apr-32	8.71	100.28	6.33%	6.30%	100.51	Fair
FR58	8.250	15-Jun-32	8.87	112.81	6.34%	6.31%	113.05	Fair
FR74	7.500	15-Aug-32	9.04	107.82	6.35%	6.31%	108.07	Fair
FR96	7.000	15-Feb-33	9.55	105.50	6.23%	6.34%	104.66	Premium
FR65	6.625	15-May-33	9.79	102.05	6.34%	6.35%	101.95	Fair
FR68	8.375	15-Mar-34	10.62	115.17	6.38%	6.39%	115.13	Fair
FR80	7.500	15-Jun-35	11.87	108.87	6.42%	6.44%	108.69	Fair
FR72	8.250	15-May-36	12.79	115.16	6.49%	6.47%	115.30	Fair
FR88	6.250	15-Jun-36	12.87	99.90	6.26%	6.47%	98.05	Premium
FR45	9.750	15-May-37	13.79	127.94	6.63%	6.50%	129.26	Discounted
FR93	6.375	15-Jul-37	13.96	100.34	6.34%	6.51%	98.80	Premium
FR75	7.500	15-May-38	14.79	109.13	6.53%	6.53%	109.10	Fair
FR50	10.500	15-Jul-38	14.96	136.94	6.58%	6.53%	137.49	Discounted
FR98	7.125	15-Jun-38	14.87	106.81	6.41%	6.53%	105.58	Premium
FR79	8.375	15-Apr-39	15.71	117.46	6.57%	6.55%	117.70	Fair
FR83	7.500	15-Apr-40	16.71	108.22	6.67%	6.57%	109.30	Discounted
FR57	9.500	15-May-41	17.79	129.48	6.65%	6.59%	130.15	Discounted
FR62	6.375	15-Apr-42	18.71	97.99	6.56%	6.61%	97.48	Premium
FR92	7.125	15-Jun-42	18.87	105.66	6.60%	6.61%	105.46	Fair
FR97	7.125	15-Jun-43	19.87	107.26	6.47%	6.63%	105.43	Premium
FR67	8.750	15-Feb-44	20.54	121.63	6.78%	6.64%	123.49	Discounted
FR76	7.375	15-May-48	24.79	106.87	6.80%	6.69%	108.26	Discounted
FR89	6.875	15-Aug-51	28.04	102.32	6.69%	6.71%	102.02	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

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