

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,910.17	+0.44%
STI	3,247.70	-1.41%
HSI	18,773.55	-1.58%
SSEC	3,178.43	-0.34%
FTSE	7,507.15	-0.23%
GDAX	15,904.25	+0.46%
DJI	35,307.63	+0.07%
S&P 500	4,489.72	+0.58%
NDX	13,788.33	+1.05%

10-yr Bond	Last	Bps
ID	6.37	+5.73
US	4.19	+3.91
UK	4.57	+3.90
JP	0.61	+2.80
CN	2.62	+0.00
MY	3.86	+2.00
TH	2.60	+0.10

Exchange Rate	Last	%
USD/IDR	15,315	+0.66%
EUR/IDR	16,758	+0.11%
GBP/IDR	19,441	+0.54%
HKD/IDR	1,959	+0.61%
SGD/IDR	11,309	+0.24%
AUD/IDR	9,937	+0.11%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	83.68	+0.28%
VIX	14.82	-0.1%

Sources : Bloomberg, MNCS

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Global Market Updates

- Wall Street indexes garnered strength Monday (Aug 14, 2023), mainly propped up by the tech sector as Nasdaq led the gains (+1.05%), followed by S&P 500 (+0.58%) and DJI (+0.07%).
- US Treasury yields and global bond yields saw gains yesterday: the 10-year yields went up by 4 bps followed with the 2-year yields soaring by 7 bps, while the German and UK 10-year yields went up by 1.4 bps and 3.9 bps, respectively.
- This was mainly propagated by investor's perception that US interest rates are to remain higher than inflation for the foreseeable future, at least until 5M23 next year.
- This strengthened the USD and put the JPY under more pressure despite BoJ lifting their fingers off their yield control (UST and JGB spread widened to 358 bps), and we might see yen-buying interventions if this trend persists.
- China's property crash has started to seep into their USD3tn asset management industry as Zhongrong International Trust Co. (their AUM comprises 9.2% of China's total debt) reported delayed payments of maturing wealth products, with fears of similar trends to potentially spiral onwards.
- Investors will await upcoming data releases today (industrial output, retail sales and FI investments) to assess the central bank's willingness to loosen their policies, considering the CNY has slumped more than -5% YTD.

Domestic Market Updates

- Indonesia's benchmark series of LCY government unanimously depreciated Monday (Aug 14, 2023), in alignment with global bonds movement. The 10-year (FR0096) yield soared by c. 6 bps to 6.37%.
- The IDR understandably weakened against the USD yesterday (USD/IDR gained +0.66%) as the DXY continued its rally amid the pricing in of higher-for-longer sentiments.
- BI reported the minimum obligation of 30% natural resources DHE was recorded at USD448mn. This was part of the government policy to increase foreign exchange reserves and fortify the IDR.
- The government sukuk auction held today by the MoF will feature a new short-term treasury sukuk issuance (SPN-S14022024) with the indicative target kept at IDR6tn. We might see higher numbers of bids now that yields have risen.

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 6.35-6.40% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0082, FR0087, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Aug 14, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.35	6.06%	101.52	6.02%
FR0096	10-year	104.43	6.37%	104.86	6.31%
FR0098	15-year	105.79	6.51%	106.21	6.47%
FR0097	20-year	105.84	6.59%	106.17	6.56%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 14, 2023)

Rating	0.1	1	3	5	10
AAA	30.65	49.55	58.24	66.12	79.20
AA	59.63	94.73	125.01	148.90	182.67
A	140.88	201.63	248.30	288.20	353.94
BBB	345.32	405.88	459.30	507.00	591.25

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (Jul 31, 2023)

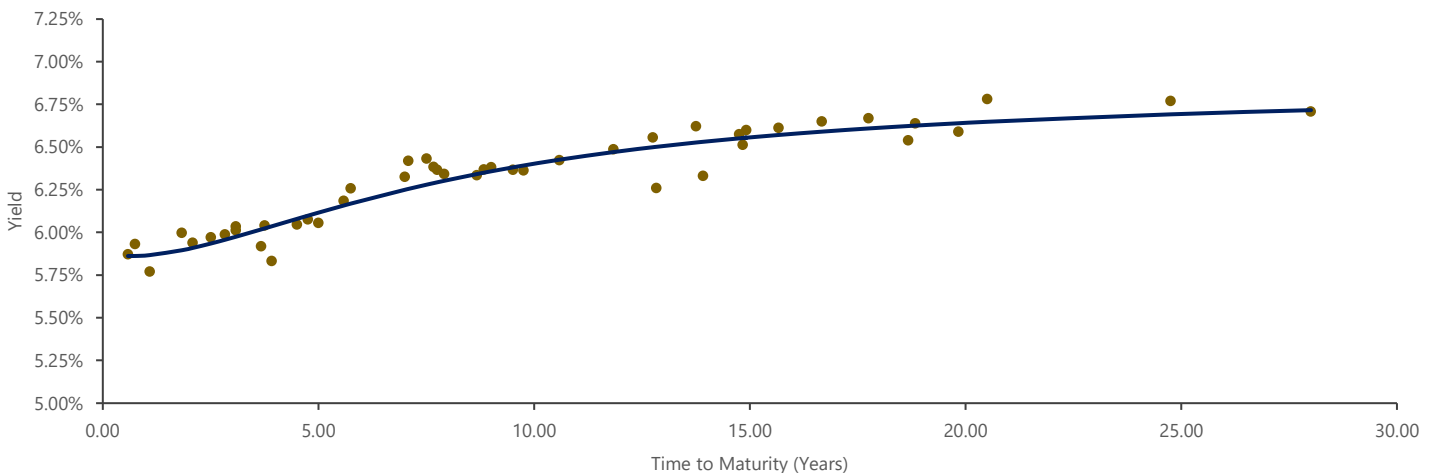
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Aug 14, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR39	11.750	15-Aug-23	0.00	100.11	-25.47%	5.88%	100.02	Premium
FR70	8.375	15-Mar-24	0.58	101.40	5.87%	5.86%	101.42	Discounted
FR77	8.125	15-May-24	0.75	101.57	5.93%	5.86%	101.63	Discounted
FR44	10.000	15-Sep-24	1.09	104.37	5.77%	5.87%	104.28	Premium
FR81	6.500	15-Jun-25	1.84	100.85	6.00%	5.90%	101.03	Discounted
FR40	11.000	15-Sep-25	2.09	109.76	5.94%	5.91%	109.85	Discounted
FR84	7.250	15-Feb-26	2.51	102.93	5.97%	5.94%	103.02	Discounted
FR86	5.500	15-Jun-26	2.84	98.81	5.99%	5.96%	98.81	Discounted
FR37	12.000	15-Sep-26	3.09	116.61	6.01%	5.98%	116.74	Discounted
FR56	8.375	15-Sep-26	3.09	106.49	6.03%	5.98%	106.67	Discounted
FR90	5.125	15-Apr-27	3.67	97.42	5.92%	6.02%	97.09	Premium
FR59	7.000	15-May-27	3.75	103.16	6.04%	6.02%	103.22	Discounted
FR42	10.250	15-Jul-27	3.92	115.25	5.83%	6.04%	114.50	Premium
FR47	10.000	15-Feb-28	4.51	115.37	6.05%	6.08%	115.24	Premium
FR64	6.125	15-May-28	4.75	100.19	6.08%	6.10%	100.10	Premium
FR95	6.375	15-Aug-28	5.00	101.36	6.06%	6.12%	101.10	Premium
FR71	9.000	15-Mar-29	5.58	113.11	6.19%	6.16%	113.26	Discounted
FR78	8.250	15-May-29	5.75	109.48	6.26%	6.17%	109.94	Discounted
FR52	10.500	15-Aug-30	7.00	123.32	6.32%	6.25%	123.81	Discounted
FR82	7.000	15-Sep-30	7.09	103.26	6.42%	6.25%	104.21	Discounted
FR87	6.500	15-Feb-31	7.51	100.40	6.43%	6.28%	101.30	Discounted
FR85	7.750	15-Apr-31	7.67	108.17	6.38%	6.29%	108.77	Discounted
FR73	8.750	15-May-31	7.75	114.38	6.37%	6.29%	114.87	Discounted
FR54	9.500	15-Jul-31	7.92	119.41	6.34%	6.30%	119.69	Discounted
FR91	6.375	15-Apr-32	8.67	100.26	6.33%	6.34%	100.21	Premium
FR58	8.250	15-Jun-32	8.84	112.55	6.37%	6.35%	112.69	Discounted
FR74	7.500	15-Aug-32	9.00	107.57	6.38%	6.36%	107.74	Discounted
FR96	7.000	15-Feb-33	9.51	104.46	6.37%	6.38%	104.36	Premium
FR65	6.625	15-May-33	9.75	101.87	6.36%	6.39%	101.66	Premium
FR68	8.375	15-Mar-34	10.58	114.82	6.42%	6.43%	114.80	Fair
FR80	7.500	15-Jun-35	11.84	108.27	6.49%	6.47%	108.41	Discounted
FR72	8.250	15-May-36	12.75	114.47	6.56%	6.50%	115.01	Discounted
FR88	6.250	15-Jun-36	12.84	99.91	6.26%	6.50%	97.83	Premium
FR45	9.750	15-May-37	13.75	127.94	6.62%	6.53%	128.96	Discounted
FR93	6.375	15-Jul-37	13.92	100.40	6.33%	6.53%	98.59	Premium
FR75	7.500	15-May-38	14.75	108.65	6.57%	6.55%	108.88	Discounted
FR50	10.500	15-Jul-38	14.92	136.66	6.60%	6.55%	137.19	Discounted
FR98	7.125	15-Jun-38	14.84	105.75	6.51%	6.55%	105.37	Premium
FR79	8.375	15-Apr-39	15.67	117.02	6.61%	6.57%	117.48	Discounted
FR83	7.500	15-Apr-40	16.67	108.47	6.65%	6.59%	109.11	Discounted
FR57	9.500	15-May-41	17.75	129.19	6.67%	6.61%	129.94	Discounted
FR62	6.375	15-Apr-42	18.67	98.24	6.54%	6.62%	97.36	Premium
FR92	7.125	15-Jun-42	18.84	105.18	6.64%	6.62%	105.32	Discounted
FR97	7.125	15-Jun-43	19.84	105.87	6.59%	6.64%	105.31	Premium
FR67	8.750	15-Feb-44	20.51	121.64	6.78%	6.65%	123.35	Discounted
FR76	7.375	15-May-48	24.75	107.21	6.77%	6.69%	108.20	Discounted
FR89	6.875	15-Aug-51	28.00	102.11	6.71%	6.72%	102.00	Premium

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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