

Exhibit 1. Daily Market Updates

| Equity | Last | % |
|---------|-----------|--------|
| JCI | 6,886.50 | -0.65% |
| STI | 3,373.79 | -0.01% |
| HSI | 20,011.12 | -0.34% |
| SSEC | 3,290.95 | +0.00% |
| FTSE | 7,666.27 | -0.43% |
| GDAX | 16,240.40 | -1.26% |
| DJI | 35,630.68 | +0.20% |
| S&P 500 | 4,576.73 | -0.27% |
| NDX | 14,283.91 | -0.43% |

| 10-yr Bond | Last | Bps |
|------------|------|-------|
| ID | 6.22 | -0.52 |
| US | 4.02 | +6.42 |
| UK | 4.40 | +9.00 |
| JP | 0.61 | -0.50 |
| CN | 2.67 | +0.20 |
| MY | 3.84 | +1.10 |
| TH | 2.60 | +2.30 |

| Exchange Rate | Last | % |
|---------------|--------|--------|
| USD/IDR | 15,115 | +0.23% |
| EUR/IDR | 16,587 | -0.35% |
| GBP/IDR | 19,385 | +0.04% |
| HKD/IDR | 1,939 | +0.33% |
| SGD/IDR | 11,335 | -0.02% |
| AUD/IDR | 10,028 | -0.65% |

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

| Category | Last | % |
|----------|-------|--------|
| 5-yr CDS | 74.83 | -0.11% |
| VIX | 13.93 | +2.2% |

Sources : Bloomberg, MNCS

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Global Market Updates

- Fitch Ratings stripped off the US of its top sovereign credit grade on the basis of the country's mounting fiscal deficits and its derogation of governance reflected in recurring debt limit turmoil and last-minute policy verdicts (now AA+, previously AAA).
- This could potentially send a bullish wave on US long-termed Treasuries as their futures contracts gained modest bids on the back of risk aversion, counteracting yesterday's yield upsoar as markets braced for a boost in issuance as pledged by the US gov't with aims of funding their widening budget deficit ahead of 2024 election year.
- The 30-year UST yield got pushed to its highest in 10 months, with the 10-year yield having sprung up by almost +8 bps to 4.02%, whereas the 2-year yield reached , rendering the 2-10 year yield curve to be at -0.92.
- Despite BoJ's intervention to tame its volatile yields outburst, Japanese gov't bond yields are set to continue its incline (possibly to 0.7%) as their G-10 peer yields conjointly rose ahead of big Treasury auctions. We view funds repatriation into Japan are to continue at moderate paces, meanwhile the BoJ is expected to chip in if the yields are touch the 0.65% mark.

Domestic Market Updates

- Indonesia's benchmark series of LCY government bonds closed mixed with minor upward movements Tuesday (Aug 01, 2023), where the 10-year (FR0096) yield edged down to 6.22%.
- The spread between UST 10-year and Indo GB 10-year shrank to 219 bps following US issuance boost pledge.
- Throughout July, Indonesia Government Securities (SBN) received a total foreign inflow of IDR8.9tn, which indicates a total foreign inflow of IDR92.3tn from the year to date.
- IDR continued to weaken against the USD. However, we expect the USD will weaken due to the US credit rating downgrade from AAA to AA+.
- The government sukuk auction held yesterday exceeded the target with a total bid of IDR22.1tn. The PBS036 has the highest demand from investors, with a bid-to-cover ratio of 5x.

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 (Aug 01, 2023)

| Series | Benchmark | Last Price | YTM | -1D Price | -1D YTM |
|--------|-----------|------------|-------|-----------|---------|
| FR0095 | 5-year | 101.86 | 5.94% | 101.80 | 5.95% |
| FR0096 | 10-year | 105.51 | 6.22% | 105.50 | 6.23% |
| FR0098 | 15-year | 106.80 | 6.41% | 106.81 | 6.41% |
| FR0097 | 20-year | 107.27 | 6.47% | 107.26 | 6.47% |

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 1, 2023)

| Rating | 0.1 | 1 | 3 | 5 | 10 |
|--------|--------|--------|--------|--------|--------|
| AAA | 39.07 | 55.44 | 66.21 | 73.82 | 86.57 |
| AA | 60.37 | 104.35 | 131.63 | 156.93 | 185.61 |
| A | 146.60 | 205.53 | 245.92 | 284.13 | 354.03 |
| BBB | 344.59 | 408.56 | 459.71 | 503.97 | 590.56 |

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 |

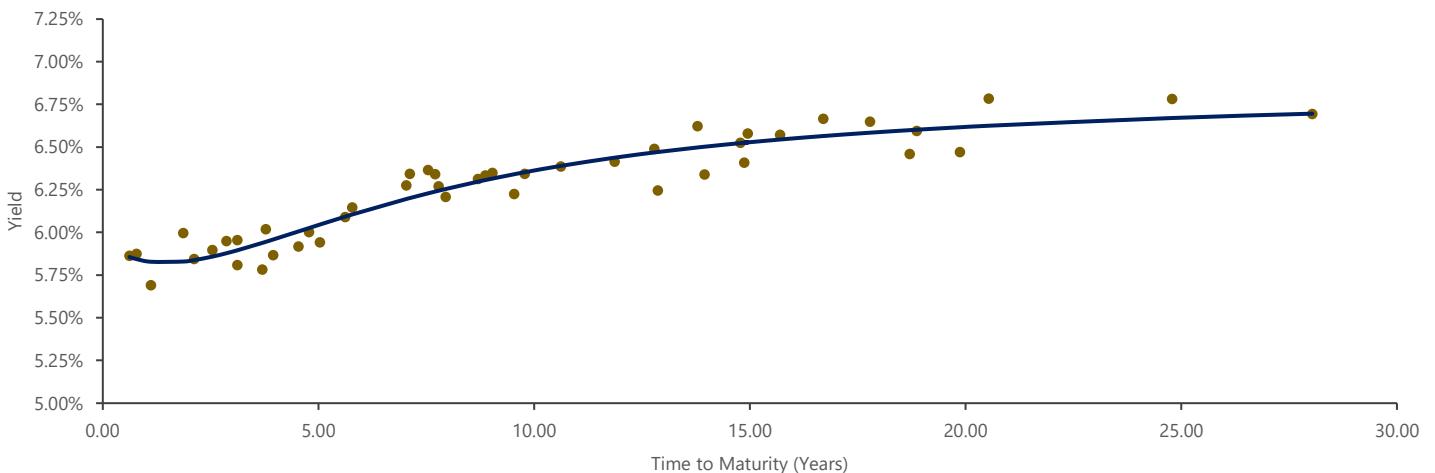
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Aug 01, 2023)

| Series | Coupon | Maturity | TTM | Last Price | YTM | Yield Curve | Fair Price | Notes |
|-------------|--------------|------------------|--------------|---------------|--------------|--------------|---------------|----------------|
| FR39 | 11.750 | 15-Aug-23 | 0.04 | 100.46 | -1.95% | 5.93% | 100.21 | Premium |
| FR70 | 8.375 | 15-Mar-24 | 0.62 | 101.49 | 5.86% | 5.86% | 101.51 | Fair |
| FR77 | 8.125 | 15-May-24 | 0.79 | 101.68 | 5.87% | 5.84% | 101.72 | Fair |
| FR44 | 10.000 | 15-Sep-24 | 1.12 | 104.59 | 5.69% | 5.83% | 104.46 | Premium |
| FR81 | 6.500 | 15-Jun-25 | 1.87 | 100.87 | 5.99% | 5.83% | 101.16 | Discounted |
| FR40 | 11.000 | 15-Sep-25 | 2.12 | 110.12 | 5.84% | 5.84% | 110.15 | Fair |
| FR84 | 7.250 | 15-Feb-26 | 2.54 | 103.14 | 5.90% | 5.86% | 103.24 | Fair |
| FR86 | 5.500 | 15-Jun-26 | 2.87 | 98.89 | 5.95% | 5.88% | 99.01 | Discounted |
| FR37 | 12.000 | 15-Sep-26 | 3.12 | 117.41 | 5.81% | 5.90% | 117.16 | Premium |
| FR56 | 8.375 | 15-Sep-26 | 3.12 | 106.79 | 5.95% | 5.90% | 106.97 | Discounted |
| FR90 | 5.125 | 15-Apr-27 | 3.70 | 97.84 | 5.78% | 5.94% | 97.32 | Premium |
| FR59 | 7.000 | 15-May-27 | 3.79 | 103.27 | 6.02% | 5.94% | 103.52 | Discounted |
| FR42 | 10.250 | 15-Jul-27 | 3.95 | 115.25 | 5.87% | 5.96% | 114.92 | Premium |
| FR47 | 10.000 | 15-Feb-28 | 4.54 | 116.03 | 5.92% | 6.01% | 115.66 | Premium |
| FR64 | 6.125 | 15-May-28 | 4.79 | 100.50 | 6.00% | 6.03% | 100.40 | Fair |
| FR95 | 6.375 | 15-Aug-28 | 5.04 | 101.86 | 5.94% | 6.05% | 101.41 | Premium |
| FR71 | 9.000 | 15-Mar-29 | 5.62 | 113.66 | 6.09% | 6.09% | 113.66 | Fair |
| FR78 | 8.250 | 15-May-29 | 5.79 | 110.10 | 6.14% | 6.10% | 110.31 | Fair |
| FR52 | 10.500 | 15-Aug-30 | 7.04 | 123.73 | 6.27% | 6.20% | 124.25 | Discounted |
| FR82 | 7.000 | 15-Sep-30 | 7.12 | 103.71 | 6.34% | 6.20% | 104.53 | Discounted |
| FR87 | 6.500 | 15-Feb-31 | 7.54 | 100.80 | 6.36% | 6.23% | 101.61 | Discounted |
| FR85 | 7.750 | 15-Apr-31 | 7.70 | 108.47 | 6.34% | 6.24% | 109.12 | Discounted |
| FR73 | 8.750 | 15-May-31 | 7.79 | 115.08 | 6.27% | 6.24% | 115.26 | Fair |
| FR54 | 9.500 | 15-Jul-31 | 7.95 | 120.41 | 6.21% | 6.25% | 120.10 | Premium |
| FR91 | 6.375 | 15-Apr-32 | 8.71 | 100.40 | 6.31% | 6.30% | 100.50 | Fair |
| FR58 | 8.250 | 15-Jun-32 | 8.87 | 112.85 | 6.33% | 6.31% | 113.04 | Fair |
| FR74 | 7.500 | 15-Aug-32 | 9.04 | 107.84 | 6.35% | 6.31% | 108.06 | Fair |
| FR96 | 7.000 | 15-Feb-33 | 9.54 | 105.51 | 6.22% | 6.34% | 104.66 | Premium |
| FR65 | 6.625 | 15-May-33 | 9.79 | 102.02 | 6.34% | 6.35% | 101.96 | Fair |
| FR68 | 8.375 | 15-Mar-34 | 10.62 | 115.17 | 6.38% | 6.39% | 115.14 | Fair |
| FR80 | 7.500 | 15-Jun-35 | 11.87 | 108.92 | 6.41% | 6.44% | 108.72 | Fair |
| FR72 | 8.250 | 15-May-36 | 12.79 | 115.14 | 6.49% | 6.47% | 115.33 | Fair |
| FR88 | 6.250 | 15-Jun-36 | 12.87 | 100.03 | 6.25% | 6.47% | 98.09 | Premium |
| FR45 | 9.750 | 15-May-37 | 13.79 | 127.98 | 6.62% | 6.50% | 129.32 | Discounted |
| FR93 | 6.375 | 15-Jul-37 | 13.95 | 100.33 | 6.34% | 6.50% | 98.85 | Premium |
| FR75 | 7.500 | 15-May-38 | 14.79 | 109.16 | 6.52% | 6.52% | 109.17 | Fair |
| FR50 | 10.500 | 15-Jul-38 | 14.95 | 136.94 | 6.58% | 6.53% | 137.57 | Discounted |
| FR98 | 7.125 | 15-Jun-38 | 14.87 | 106.80 | 6.41% | 6.52% | 105.65 | Premium |
| FR79 | 8.375 | 15-Apr-39 | 15.70 | 117.49 | 6.57% | 6.54% | 117.79 | Fair |
| FR83 | 7.500 | 15-Apr-40 | 16.71 | 108.33 | 6.66% | 6.56% | 109.40 | Discounted |
| FR57 | 9.500 | 15-May-41 | 17.79 | 129.48 | 6.65% | 6.58% | 130.29 | Discounted |
| FR62 | 6.375 | 15-Apr-42 | 18.70 | 99.09 | 6.46% | 6.60% | 97.61 | Premium |
| FR92 | 7.125 | 15-Jun-42 | 18.87 | 105.69 | 6.59% | 6.60% | 105.60 | Fair |
| FR97 | 7.125 | 15-Jun-43 | 19.87 | 107.27 | 6.47% | 6.62% | 105.58 | Premium |
| FR67 | 8.750 | 15-Feb-44 | 20.54 | 121.63 | 6.78% | 6.62% | 123.67 | Discounted |
| FR76 | 7.375 | 15-May-48 | 24.79 | 107.07 | 6.78% | 6.67% | 108.49 | Discounted |
| FR89 | 6.875 | 15-Aug-51 | 28.04 | 102.29 | 6.69% | 6.69% | 102.27 | 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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