

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,859.91	-0.59%
STI	3,173.93	-0.71%
HSI	17,950.85	-2.05%
SSEC	3,131.95	-1.00%
FTSE	7,262.43	-0.65%
GDAX	15,574.26	-0.65%
DJI	34,500.66	+0.07%
S&P 500	4,369.71	-0.01%
NDX	13,290.78	+0.10%

10-yr Bond	Last	Bps
ID	6.51	+9.47
US	4.25	-1.95
UK	4.68	-7.10
JP	0.64	-1.10
CN	2.56	-0.60
MY	3.86	-2.20
TH	2.72	+4.70

Exchange Rate	Last	%
USD/IDR	15,285	+0.01%
EUR/IDR	16,630	-0.17%
GBP/IDR	19,464	-0.06%
HKD/IDR	1,952	+0.01%
SGD/IDR	11,266	+0.07%
AUD/IDR	9,783	+0.10%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	91.88	+0.03%
VIX	17.30	-3.3%

Sources : Bloomberg, MNCS

**Research Analyst**

 Alif Ihsanario  
 alif.ihsanario@mncgroup.com

**Global Market Updates**

- Wall Street indexes closed in the mix Friday (Aug 18, 2023) as the Treasury yields' upsurge took a pause and settled lower, followed by a correction in DXY's trajectory.
- The 10-year US Treasury yield retreated from reaching its 2007 highs, down almost 4 bps to 4.26%, while the 2-year UST declined by 2 bps to 4.92%. Global bonds followed suit: 10-year German bunds fell -8.7 bps to 2.6%, 10-year UK gilt fell 7.1 bps to 4.7% and Japanese GB fell 1.1 bps to 0.64%.
- Thus far market participants are pricing in a 10% likelihood of a 25 bps rate hike in Sep-23 and a higher 36% probability for a hike to take place in Nov-23 FOMC meeting.
- The most recent Fed's minutes release mentioned that QT was to still be on the table even during rate cut cycles, meaning that downside pressures for the bond market shall linger.
- China, as expected by market watchers have introduced another 1-year LPR cut though only at 10 bps and without adjustments to the 5-year rate. This lack of stimulation size might find it hard to provide an effective helping hand for their equities as well as their CNY.

**Domestic Market Updates**

- Indonesia's benchmark series of LCY government mainly closed lower Friday (Aug 18, 2023). The 10-year (FR0096) yield have gained another c. 7 bps to reach 6.49% as of last close.
- The IDR regained was little changed against the USD (USD/IDR muted by +0.01%), but we might see IDR to rebound today as DXY weakened following UST yields retreat.
- Till Aug 16, 2023, on an WoW basis the Indonesian government securities booked a net outflow of IDR25.74tn with as the global bonds yields escalation was at its peak.
- Foreign positions saw a net outflow of IDR1.61tn, followed by domestic pension and insurance funds' outflow of IDR9.87tn, banks of IDR2.6tn and Bank Indonesia IDR12.06tn.
- Given the 10-year yields to have far exceeded the JIBOR-1M, we might see some inflow from banks, as well as other funds to return back to bonds and ease the yields back down.

**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 6.40-6.50% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0077, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Aug 18, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.79	6.19%	101.10	6.12%
FR0096	10-year	103.58	6.49%	104.09	6.42%
FR0098	15-year	104.08	6.69%	105.20	6.57%
FR0097	20-year	104.17	6.74%	105.04	6.66%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 18, 2023)**

Rating	0.1	1	3	5	10
AAA	28.75	47.16	57.44	67.05	81.71
AA	59.28	95.53	126.05	149.99	183.07
A	142.35	200.24	247.77	288.12	353.95
BBB	345.27	406.81	458.43	506.87	591.07

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

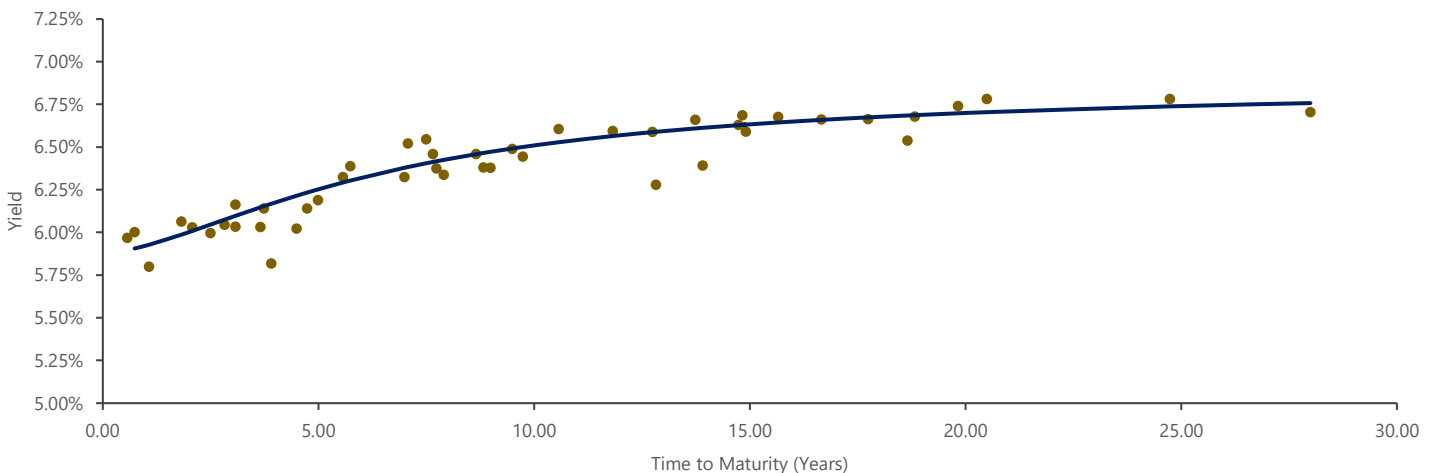
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Aug 18, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.57	101.31	5.97%	5.90%	101.38	Discounted
FR77	8.125	15-May-24	0.74	101.48	6.00%	5.91%	101.57	Discounted
FR44	10.000	15-Sep-24	1.08	104.27	5.80%	5.93%	104.18	Premium
FR81	6.500	15-Jun-25	1.83	100.73	6.06%	5.99%	100.87	Discounted
FR40	11.000	15-Sep-25	2.08	109.51	6.03%	6.01%	109.60	Discounted
FR84	7.250	15-Feb-26	2.50	102.85	5.99%	6.04%	102.75	Premium
FR86	5.500	15-Jun-26	2.83	98.68	6.04%	6.07%	98.52	Premium
FR37	12.000	15-Sep-26	3.08	116.47	6.03%	6.10%	116.32	Premium
FR56	8.375	15-Sep-26	3.08	106.09	6.16%	6.10%	106.30	Discounted
FR90	5.125	15-Apr-27	3.66	97.07	6.03%	6.15%	96.69	Premium
FR59	7.000	15-May-27	3.74	102.82	6.14%	6.15%	102.78	Premium
FR42	10.250	15-Jul-27	3.91	115.25	5.82%	6.17%	113.98	Premium
FR47	10.000	15-Feb-28	4.49	115.42	6.02%	6.21%	114.64	Premium
FR64	6.125	15-May-28	4.74	99.93	6.14%	6.23%	99.55	Premium
FR95	6.375	15-Aug-28	4.99	100.79	6.19%	6.25%	100.52	Premium
FR71	9.000	15-Mar-29	5.57	112.39	6.32%	6.29%	112.56	Discounted
FR78	8.250	15-May-29	5.74	108.81	6.39%	6.30%	109.24	Discounted
FR52	10.500	15-Aug-30	6.99	123.28	6.32%	6.38%	122.96	Premium
FR82	7.000	15-Sep-30	7.08	102.68	6.52%	6.38%	103.47	Discounted
FR87	6.500	15-Feb-31	7.50	99.74	6.54%	6.40%	100.56	Discounted
FR85	7.750	15-Apr-31	7.66	107.69	6.46%	6.41%	107.98	Discounted
FR73	8.750	15-May-31	7.74	114.31	6.37%	6.42%	114.05	Premium
FR54	9.500	15-Jul-31	7.91	119.40	6.34%	6.42%	118.83	Premium
FR91	6.375	15-Apr-32	8.66	99.44	6.46%	6.46%	99.45	Fair
FR58	8.250	15-Jun-32	8.83	112.45	6.38%	6.46%	111.85	Premium
FR74	7.500	15-Aug-32	8.99	107.58	6.38%	6.47%	106.93	Premium
FR96	7.000	15-Feb-33	9.50	103.58	6.49%	6.49%	103.57	Fair
FR65	6.625	15-May-33	9.74	101.28	6.44%	6.50%	100.88	Premium
FR68	8.375	15-Mar-34	10.57	113.31	6.60%	6.53%	113.95	Discounted
FR80	7.500	15-Jun-35	11.83	107.35	6.59%	6.56%	107.60	Discounted
FR72	8.250	15-May-36	12.74	114.16	6.59%	6.59%	114.18	Fair
FR88	6.250	15-Jun-36	12.83	99.75	6.28%	6.59%	97.09	Premium
FR45	9.750	15-May-37	13.74	127.52	6.66%	6.61%	128.07	Discounted
FR93	6.375	15-Jul-37	13.91	99.86	6.39%	6.61%	97.86	Premium
FR75	7.500	15-May-38	14.74	108.10	6.63%	6.63%	108.12	Fair
FR50	10.500	15-Jul-38	14.91	136.74	6.59%	6.63%	136.28	Premium
FR98	7.125	15-Jun-38	14.83	104.08	6.69%	6.63%	104.62	Discounted
FR79	8.375	15-Apr-39	15.66	116.32	6.68%	6.64%	116.69	Discounted
FR83	7.500	15-Apr-40	16.66	108.35	6.66%	6.66%	108.38	Fair
FR57	9.500	15-May-41	17.74	129.25	6.66%	6.67%	129.13	Premium
FR62	6.375	15-Apr-42	18.66	98.26	6.54%	6.68%	96.72	Premium
FR92	7.125	15-Jun-42	18.83	104.75	6.68%	6.69%	104.65	Premium
FR97	7.125	15-Jun-43	19.83	104.17	6.74%	6.70%	104.65	Discounted
FR67	8.750	15-Feb-44	20.49	121.62	6.78%	6.70%	122.62	Discounted
FR76	7.375	15-May-48	24.74	107.07	6.78%	6.74%	107.61	Discounted
FR89	6.875	15-Aug-51	27.99	102.15	6.70%	6.76%	101.48	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

### 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

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