

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,899.39	-0.32%
STI	3,180.72	+0.21%
HSI	18,212.17	+2.05%
SSEC	3,082.24	+0.12%
FTSE	7,333.63	+0.18%
GDAX	15,621.49	-0.68%
DJI	34,099.42	-1.08%
S&P 500	4,376.31	-1.35%
NDX	13,463.97	-1.87%

10-yr Bond	Last	Bps
ID	6.50	-12.00
US	4.23	+3.00
UK	4.43	-4.20
JP	0.66	+0.00
CN	2.56	+0.70
MY	3.86	-1.00
TH	2.78	-0.40

Exchange Rate	Last	%
USD/IDR	15,245	-0.33%
EUR/IDR	16,563	+0.06%
GBP/IDR	19,368	-0.15%
HKD/IDR	1,944	-0.33%
SGD/IDR	11,271	+0.01%
AUD/IDR	9,847	+0.13%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	85.08	1.17%
VIX	17.20	+7.6%

Sources : Bloomberg, MNCS

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**Global Market Updates**

- Hawkish anticipations subdued stocks: Wall Street saw equities sell-offs Thursday (Aug 24, 2023) as investors deferred any action taking ahead of Fed's Powell statement in the upcoming Jackson Hole symposium considering the nuanced economic developments.
- US Treasuries were mostly muted Thursday. The 10-year UST yield crept up c. 3 bps to 4.23%, followed by the more Fed-sensitive 2-year UST yields rise by c. 3 bps to 4.98%.
- Global bonds mostly appreciated: 10-year German bunds yield slipped 0.4 bps to 2.51%, 10-year UK gilt fell 4.2 bps to 4.43% while the Japanese GB remained muted at 0.66%.
- What to expect from the upcoming Jackson Hole Symposium: the higher-for-longer scenario is most likely to realize, with market participants pricing in a rate hold in 19-20 Sep 2023 FOMC meeting and a 33% chance of a hike to happen in Nov-23's meeting.
- An increase in the Atlanta Fed's GDPNow model made the case for a more hawkish policy direction as the latest 3Q GDP projection shows 5.9% YoY growth (vs 5.8% previously).
- Saudi Arabia, Iran, Egypt, Argentina, Ethiopia and the UAE have been invited to join forces with BRICS in their Johannesburg summit. The expanded BRICS-11 harbor the potential to eclipse the global economy by accounting for 45% by 2040, from 32% last year.
- India is set to become the primary growth engine for BRICS, with China's growth sputtering and peaking to only face 2-3% average growth up to 2040, as they are projected to see 6 – 8% average annual growth up to 2040.

**Domestic Market Updates**

- Indonesian benchmark series of LCY government bonds was mixed Thursday. We saw a flattening of the yield curve (2s10s curve now at 29 bps vs 49 bps yesterday), as we saw the benchmark 2-year yield rising 4.4 bps to 6.21% while the 10-year benchmark yield fell by c. 12 bps to 6.50%.
- The IDR further strengthened against the USD (USD/IDR went down -0.33%) supported by DXY's slip from UST 10-year's retreat.
- Bank Indonesia held their 7DRR at 5.75% as expected, reiterating their focus of stabilizing the IDR through monetary operations other than adjusting policy rates.
- As of Aug 23, the Indonesian gov't bonds market posted a net inflow of IDR2.15tn, accrued mainly from purchases by domestic funds an retail, as well as BI monetary operations.
- Foreign funds continue to post net outflows, amounting to IDR4.94tn DtD and IDR7.53tn WoW.

**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 6.50-6.60% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0082, FR0087, FR0096.

**Exhibit 3. Benchmark LCY Government Bond Prices (Aug 24, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.39	6.28%	100.36	6.29%
FR0096	10-year	103.46	6.50%	102.66	6.62%
FR0098	15-year	103.79	6.71%	103.25	6.77%
FR0097	20-year	103.74	6.78%	103.06	6.84%

Sources : Bloomberg, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 24, 2023)**

Rating	0.1	1	3	5	10
AAA	22.88	41.68	55.71	67.22	85.81
AA	58.71	97.42	128.33	152.85	183.58
A	146.49	199.10	247.57	288.28	353.83
BBB	345.59	407.90	457.32	507.17	590.57

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

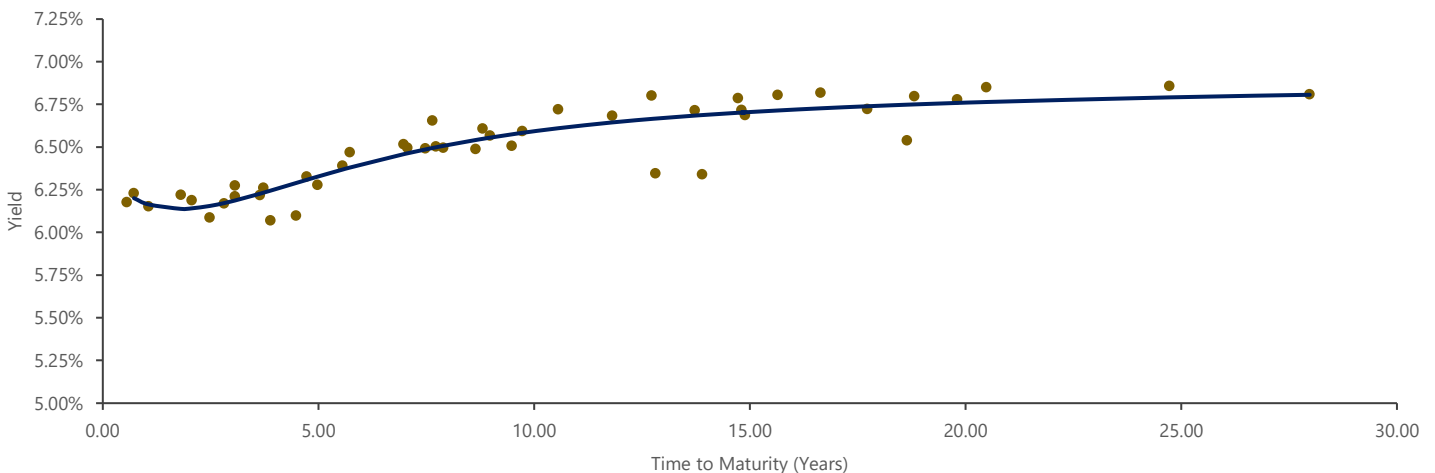
Sources : DJPPR, MNCS

## Exhibit 06. LCY Government Bond Valuation (Aug 24, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.56	101.16	6.18%	6.23%	101.16	Premium
FR77	8.125	15-May-24	0.72	101.29	6.23%	6.20%	101.33	Discounted
FR44	10.000	15-Sep-24	1.06	103.85	6.15%	6.16%	103.87	Premium
FR81	6.500	15-Jun-25	1.81	100.46	6.22%	6.14%	100.60	Discounted
FR40	11.000	15-Sep-25	2.06	109.12	6.19%	6.14%	109.26	Discounted
FR84	7.250	15-Feb-26	2.48	102.62	6.09%	6.15%	102.48	Premium
FR86	5.500	15-Jun-26	2.81	98.39	6.17%	6.17%	98.28	Fair
FR37	12.000	15-Sep-26	3.06	115.85	6.21%	6.19%	115.97	Discounted
FR56	8.375	15-Sep-26	3.06	105.74	6.27%	6.19%	106.01	Discounted
FR90	5.125	15-Apr-27	3.64	96.49	6.22%	6.23%	96.45	Fair
FR59	7.000	15-May-27	3.72	102.41	6.26%	6.23%	102.50	Discounted
FR42	10.250	15-Jul-27	3.89	114.25	6.07%	6.24%	113.64	Premium
FR47	10.000	15-Feb-28	4.48	115.05	6.10%	6.29%	114.28	Premium
FR64	6.125	15-May-28	4.72	99.18	6.33%	6.31%	99.25	Discounted
FR95	6.375	15-Aug-28	4.98	100.40	6.28%	6.33%	100.20	Premium
FR71	9.000	15-Mar-29	5.56	112.03	6.39%	6.37%	112.16	Discounted
FR78	8.250	15-May-29	5.72	108.37	6.47%	6.38%	108.84	Discounted
FR52	10.500	15-Aug-30	6.98	122.01	6.52%	6.46%	122.41	Discounted
FR82	7.000	15-Sep-30	7.06	102.81	6.50%	6.46%	103.00	Discounted
FR87	6.500	15-Feb-31	7.48	100.05	6.49%	6.49%	100.08	Fair
FR85	7.750	15-Apr-31	7.64	106.46	6.66%	6.49%	107.46	Discounted
FR73	8.750	15-May-31	7.72	113.44	6.50%	6.50%	113.49	Fair
FR54	9.500	15-Jul-31	7.89	118.29	6.50%	6.51%	118.23	Premium
FR91	6.375	15-Apr-32	8.64	99.25	6.49%	6.54%	98.91	Premium
FR58	8.250	15-Jun-32	8.81	110.80	6.61%	6.55%	111.24	Discounted
FR74	7.500	15-Aug-32	8.98	106.25	6.57%	6.56%	106.33	Discounted
FR96	7.000	15-Feb-33	9.48	103.44	6.51%	6.57%	102.96	Premium
FR65	6.625	15-May-33	9.72	100.21	6.59%	6.58%	100.28	Discounted
FR68	8.375	15-Mar-34	10.56	112.35	6.72%	6.61%	113.25	Discounted
FR80	7.500	15-Jun-35	11.81	106.57	6.68%	6.64%	106.91	Discounted
FR72	8.250	15-May-36	12.72	112.19	6.80%	6.67%	113.44	Discounted
FR88	6.250	15-Jun-36	12.81	99.15	6.35%	6.67%	96.43	Premium
FR45	9.750	15-May-37	13.72	126.91	6.72%	6.68%	127.24	Discounted
FR93	6.375	15-Jul-37	13.89	100.31	6.34%	6.69%	97.19	Premium
FR75	7.500	15-May-38	14.72	106.56	6.79%	6.70%	107.39	Discounted
FR50	10.500	15-Jul-38	14.89	135.58	6.69%	6.70%	135.40	Premium
FR98	7.125	15-Jun-38	14.81	103.77	6.72%	6.70%	103.92	Discounted
FR79	8.375	15-Apr-39	15.64	114.96	6.80%	6.71%	115.91	Discounted
FR83	7.500	15-Apr-40	16.64	106.70	6.82%	6.73%	107.65	Discounted
FR57	9.500	15-May-41	17.72	128.50	6.72%	6.74%	128.29	Premium
FR62	6.375	15-Apr-42	18.64	98.25	6.54%	6.75%	96.06	Premium
FR92	7.125	15-Jun-42	18.81	103.44	6.80%	6.75%	103.95	Discounted
FR97	7.125	15-Jun-43	19.81	103.73	6.78%	6.76%	103.95	Discounted
FR67	8.750	15-Feb-44	20.48	120.74	6.85%	6.76%	121.84	Discounted
FR76	7.375	15-May-48	24.72	106.12	6.86%	6.79%	106.93	Discounted
FR89	6.875	15-Aug-51	27.98	100.82	6.81%	6.81%	100.85	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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