

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,8586.37	+0.49%
STI	3,309.87	+0.53%
HSI	19,537.92	-0.01%
SSEC	3,268.83	-0.59%
FTSE	7,554.49	-0.13%
GDAX	15,950.76	-0.01%
DJI	35,473.13	+1.16%
S&P 500	4,518.44	+0.90%
NDX	13,994.40	+0.61%

10-yr Bond	Last	Bps
ID	6.33	+019
US	4.09	+5.47
UK	4.46	+8.10
JP	0.63	-1.90
CN	2.65	-1.10
MY	3.85	-1.90
TH	2.61	-1.70

Exchange Rate	Last	%
USD/IDR	15,185	+0.10%
EUR/IDR	16,670	+0.43%
GBP/IDR	19,327	+0.31%
HKD/IDR	1,945	+0.11%
SGD/IDR	11,322	+0.22%
AUD/IDR	9,968	+0.19%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	78.49	+0.00%
VIX	15.77	-7.8%

Sources : Bloomberg, MNCS

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Global Market Updates

- US equities posted a rebound starting off this week supported by investors' optimism on 2Q23 company releases to continue outperforming, coupled with stronger-than-expected credit growth of +USD17.8bn (vs estimates of +USD13bn).
- The air of optimism was put to moderation after Fed's Bowman and Williams hawkish remarks yesterday, sending the US 10-year Treasury yield to jump 550 bps to 4.09%, followed by 10-year Gilt to soar 810 bps to 4.46% and the German 10-year bund to gain 390 bps to 2.6%.
- The market's appetite for US Treasuries will be tested this week as the largest UST auction amounting to USD103bn will await market's absorption.
- The BoJ has begun putting their guards up amid recent price jumps, underpinned by not only rising cost pressures (contributing 60% of the CPI climb YTD) but also solid national demand (33%), all of which increase the odds that they will abandon its yield curve control sooner than expected.
- China's July trade data release is likely to show exports and imports continuing its slack upon soft external demand and weak domestic goods consumption. The market now considers China to be in a deflationary period with the most recent consensus pointing to a -0.4% YoY drop in July CPI.

Domestic Market Updates

- Indonesia's benchmark series of LCY government bonds continued to weaken Monday (Aug 7, 2023), where the 10-year (FR0096) yield have now reached 6.34%.
- The 2s10s Indo gov't note and bond yield curve steepened further to 34 bps (vs 33 bps previously).
- The IDR continued to appreciate against the USD (USD/IDR down by -0.1%) in tandem with DXY's weakening.
- Indonesia posted stronger-than-consensus +5.17% YoY GDP growth in 2Q23 (vs expected softening of +5% YoY) as the strong household consumption which jumped +5.23% YoY (vs +4.54% YoY in 1Q23) more than offsetted the -2.75% YoY exports contraction.
- If the solid growth persists in the coming quarters we can expect bond yields to increase following a grow credit demand and increased inflation expectations.

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 6.25-6.35% for today.
- Attractive Indo GB series to be traded today : FR0059, FR0082, FR0087, FR0096.

Exhibit 3. Benchmark LCY Government Bond Prices (Aug 7, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	101.48	6.03%	101.46	6.03%
FR0096	10-year	104.73	6.33%	104.74	6.33%
FR0098	15-year	106.02	6.49%	106.22	6.47%
FR0097	20-year	106.12	6.57%	106.57	6.53%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Aug 7, 2023)

Rating	0.1	1	3	5	10
AAA	35.50	53.51	62.66	70.25	82.82
AA	59.56	99.62	129.47	152.65	183.89
A	145.14	204.15	245.95	286.67	354.15
BBB	345.40	407.00	456.80	503.19	590.52

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

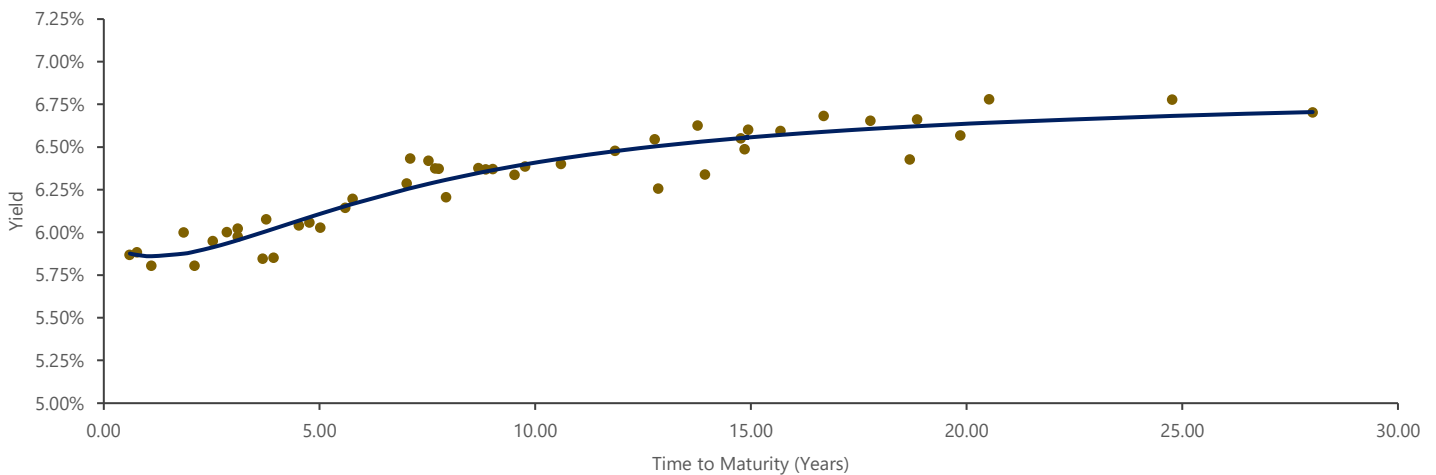
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Aug 7, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR39	11.750	15-Aug-23	0.02	100.20	-0.21%	5.93%	100.12	Premium
FR70	8.375	15-Mar-24	0.60	101.45	5.87%	5.87%	101.46	Fair
FR77	8.125	15-May-24	0.77	101.64	5.88%	5.87%	101.67	Fair
FR44	10.000	15-Sep-24	1.11	104.40	5.80%	5.86%	104.36	Premium
FR81	6.500	15-Jun-25	1.86	100.86	6.00%	5.87%	101.07	Discounted
FR40	11.000	15-Sep-25	2.11	110.13	5.80%	5.89%	109.98	Premium
FR84	7.250	15-Feb-26	2.53	103.00	5.95%	5.91%	103.09	Fair
FR86	5.500	15-Jun-26	2.86	98.77	6.00%	5.93%	98.87	Discounted
FR37	12.000	15-Sep-26	3.11	116.82	5.97%	5.95%	116.90	Fair
FR56	8.375	15-Sep-26	3.11	106.56	6.02%	5.95%	106.77	Discounted
FR90	5.125	15-Apr-27	3.69	97.64	5.85%	6.00%	97.14	Premium
FR59	7.000	15-May-27	3.77	103.06	6.08%	6.01%	103.30	Discounted
FR42	10.250	15-Jul-27	3.94	115.25	5.85%	6.02%	114.63	Premium
FR47	10.000	15-Feb-28	4.52	115.45	6.04%	6.07%	115.34	Fair
FR64	6.125	15-May-28	4.77	100.27	6.06%	6.09%	100.14	Fair
FR95	6.375	15-Aug-28	5.02	101.48	6.03%	6.11%	101.14	Premium
FR71	9.000	15-Mar-29	5.60	113.36	6.14%	6.15%	113.31	Fair
FR78	8.250	15-May-29	5.77	109.82	6.20%	6.17%	109.98	Fair
FR52	10.500	15-Aug-30	7.02	123.61	6.29%	6.25%	123.84	Fair
FR82	7.000	15-Sep-30	7.11	103.19	6.43%	6.26%	104.20	Discounted
FR87	6.500	15-Feb-31	7.53	100.48	6.42%	6.28%	101.28	Discounted
FR85	7.750	15-Apr-31	7.69	108.25	6.37%	6.29%	108.76	Discounted
FR73	8.750	15-May-31	7.77	114.38	6.37%	6.30%	114.87	Discounted
FR54	9.500	15-Jul-31	7.94	120.40	6.20%	6.31%	119.69	Premium
FR91	6.375	15-Apr-32	8.69	99.99	6.37%	6.35%	100.17	Fair
FR58	8.250	15-Jun-32	8.86	112.58	6.37%	6.36%	112.66	Fair
FR74	7.500	15-Aug-32	9.02	107.66	6.37%	6.36%	107.71	Fair
FR96	7.000	15-Feb-33	9.53	104.69	6.34%	6.39%	104.32	Premium
FR65	6.625	15-May-33	9.77	101.71	6.39%	6.40%	101.62	Fair
FR68	8.375	15-Mar-34	10.60	115.03	6.40%	6.43%	114.76	Fair
FR80	7.500	15-Jun-35	11.86	108.36	6.48%	6.48%	108.38	Fair
FR72	8.250	15-May-36	12.77	114.59	6.54%	6.50%	114.99	Fair
FR88	6.250	15-Jun-36	12.86	99.94	6.26%	6.50%	97.79	Premium
FR45	9.750	15-May-37	13.77	127.92	6.62%	6.53%	128.95	Discounted
FR93	6.375	15-Jul-37	13.94	100.33	6.34%	6.53%	98.57	Premium
FR75	7.500	15-May-38	14.77	108.89	6.55%	6.55%	108.87	Fair
FR50	10.500	15-Jul-38	14.94	136.66	6.60%	6.56%	137.21	Discounted
FR98	7.125	15-Jun-38	14.86	106.01	6.49%	6.55%	105.36	Premium
FR79	8.375	15-Apr-39	15.69	117.24	6.59%	6.57%	117.49	Fair
FR83	7.500	15-Apr-40	16.69	108.15	6.68%	6.59%	109.13	Discounted
FR57	9.500	15-May-41	17.77	129.40	6.65%	6.61%	129.99	Discounted
FR62	6.375	15-Apr-42	18.69	99.44	6.43%	6.62%	97.40	Premium
FR92	7.125	15-Jun-42	18.86	104.93	6.66%	6.62%	105.37	Fair
FR97	7.125	15-Jun-43	19.86	106.12	6.57%	6.63%	105.37	Premium
FR67	8.750	15-Feb-44	20.52	121.67	6.78%	6.64%	123.44	Discounted
FR76	7.375	15-May-48	24.77	107.12	6.78%	6.68%	108.33	Discounted
FR89	6.875	15-Aug-51	28.02	102.17	6.70%	6.70%	102.15	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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