

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,935.48	+0.02%
STI	3,218.93	+0.14%
HSI	18,009.22	-0.09%
SSEC	3,123.07	-0.45%
FTSE	7,525.99	-0.02%
GDAX	15,654.53	-0.39%
DJI	34,645.03	-0.20%
S&P 500	4,467.44	+0.12%
NDX	13,813.58	+0.29%

10-yr Bond	Last	Bps
ID	6.64	+1.10
US	4.25	-2.00
UK	4.35	-6.90
JP	0.71	-0.50
CN	2.65	-0.00
MY	3.89	+1.10
TH	3.01	+7.70

Exchange Rate	Last	%
USD/IDR	15,370	+0.20%
EUR/IDR	16,498	+0.32%
GBP/IDR	19,171	+0.20%
HKD/IDR	1,964	+0.25%
SGD/IDR	11,290	+0.20%
AUD/IDR	9,856	-0.06%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	78.54	+0.1%
VIX	14.52	+2.0%

Sources : Bloomberg, MNCS

Research Analyst

 Alif Ihsanario
 alif.ihsanario@mncgroup.com

Global Market Updates

- Wall Street equities closed in the mix Wednesday (Sep 13, 2023), with the S&P 500 and Nasdaq gaining by 0.12% and 0.38%, whilst DJI slipped 0.2%.
- US August headline inflation reading came stronger than expectations on a yearly basis (3.7% YoY vs consensus of 3.6%) as well as the monthly core inflation readings (0.3% MoM vs consensus of 0.2% MoM).
- Despite an observed inflation acceleration excluding food and energy prices, swap markets have increasingly priced in more rate cuts probabilities to occur next year, as soon as Sep-24. This entails putting a cap to UST yields from further progressing, possibly putting an end to DXY's rally.
- Sure enough, UST yields as of Sep 13, 2023 stood at 4.25% for the 10-yr notes, slipping 2 bps and 4.96% for the 2-yr notes, down 2 bps as well even when CPI was shown to be resistant.
- The outlook for Sep-23's FOMC meeting remains a sure-fire rate hold, though Nov-23 and Dec-23' FOMC outcome likelihoods remain elusive. We view that the Fed will no longer need to raise rates this year.
- ECB, on the other hand are looking at a hawkish move as their best bet later today (est. 25 bps hike) given the still-hostile inflationary environment, setting up EUR for a strengthened rally.
- Today the BoJ is set to hold an operation of five-year loans offerings for banks in order to purchase JGBs with aims to keep yields in check. Swap markets indicate that traders expect BoJ rate hikes to commence as soon as Jan-24, from previously expected Sep-24.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds further retreated Wednesday (Sep 13, 2023). The 10-yr benchmark series yield rose another 1.1 bps to 6.64%. The 2s10s Indo GB spread stood flat at 41 bps.
- With markets expecting no aggressive cards left to be played by the Fed and UST yields likely to be capped from rising any further, we can expect a u-turn in foreign flows back to domestic bond markets, incrementally.
- On top of that, domestic yields have reached considerably attractive levels. Historically, Indo GB 10-yr yields have been shown to experience a pick-up throughout Aug-Sep, and begins to decline Oct-Jan.
- IDR mostly weakened against global major currencies, with continued depreciation against the USD on soft-landing and higher-for-longer sentiments. Markets will observe Friday's trade data in search of any incentives for IDR.

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 : FR0081, FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Sep 13, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.36	6.29%	100.41	6.28%
FR0096	10-year	102.50	6.64%	102.56	6.63%
FR0098	15-year	103.37	6.76%	103.56	6.74%
FR0097	20-year	103.20	6.83%	103.37	6.81%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Sep 13, 2023)

Rating	0.1	1	3	5	10
AAA	21.25	35.44	49.33	60.92	76.58
AA	46.98	85.58	114.95	142.45	179.86
A	147.73	198.04	247.03	291.80	349.86
BBB	341.91	396.72	456.65	508.20	597.00

Sources : IBPA, MNCS

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

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92	21.20

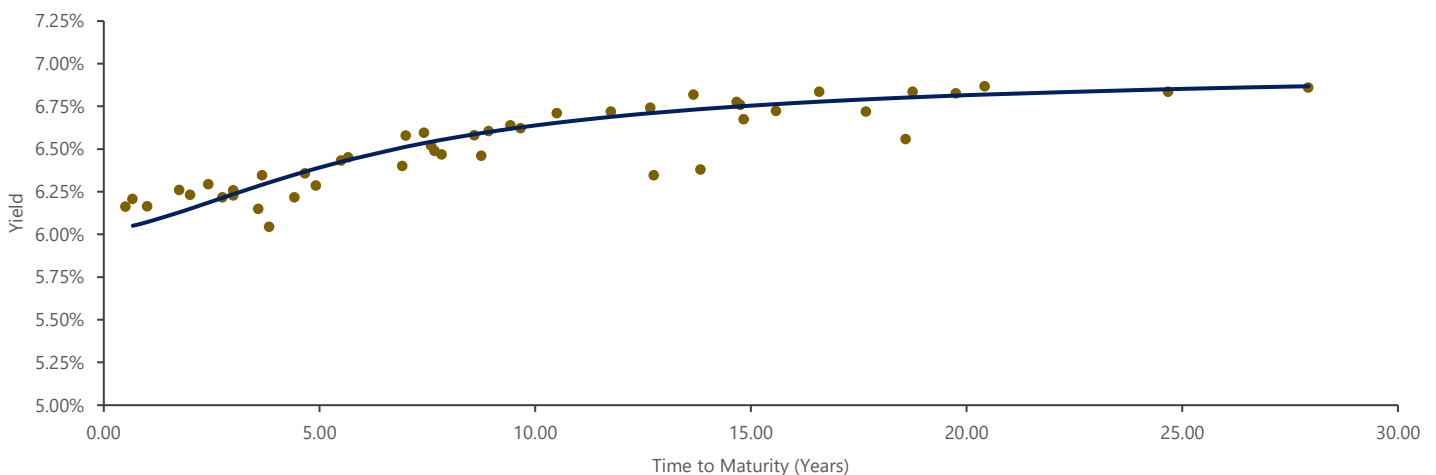
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Sep 13, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.50	101.07	6.16%	6.04%	101.14	Discounted
FR77	8.125	15-May-24	0.67	101.22	6.21%	6.05%	101.33	Discounted
FR44	10.000	15-Sep-24	1.01	103.67	6.16%	6.07%	103.78	Discounted
FR81	6.500	15-Jun-25	1.75	100.38	6.26%	6.13%	100.60	Discounted
FR40	11.000	15-Sep-25	2.01	108.84	6.23%	6.15%	109.02	Discounted
FR84	7.250	15-Feb-26	2.43	102.11	6.29%	6.19%	102.35	Discounted
FR86	5.500	15-Jun-26	2.75	98.31	6.22%	6.21%	98.21	Fair
FR37	12.000	15-Sep-26	3.01	115.58	6.23%	6.24%	115.58	Premium
FR56	8.375	15-Sep-26	3.01	105.71	6.26%	6.24%	105.78	Discounted
FR90	5.125	15-Apr-27	3.59	96.75	6.15%	6.28%	96.32	Premium
FR59	7.000	15-May-27	3.67	102.10	6.35%	6.29%	102.28	Discounted
FR42	10.250	15-Jul-27	3.84	114.18	6.04%	6.30%	113.25	Premium
FR47	10.000	15-Feb-28	4.42	114.41	6.22%	6.35%	113.87	Premium
FR64	6.125	15-May-28	4.67	99.07	6.36%	6.37%	99.02	Premium
FR95	6.375	15-Aug-28	4.92	100.36	6.29%	6.39%	99.95	Premium
FR71	9.000	15-Mar-29	5.50	111.74	6.43%	6.42%	111.78	Discounted
FR78	8.250	15-May-29	5.67	108.42	6.45%	6.44%	108.49	Discounted
FR52	10.500	15-Aug-30	6.92	122.62	6.40%	6.51%	121.95	Premium
FR82	7.000	15-Sep-30	7.01	102.34	6.58%	6.51%	102.71	Discounted
FR87	6.500	15-Feb-31	7.43	99.45	6.59%	6.53%	99.80	Discounted
FR85	7.750	15-Apr-31	7.59	107.26	6.52%	6.54%	107.13	Premium
FR73	8.750	15-May-31	7.67	113.48	6.49%	6.55%	113.11	Premium
FR54	9.500	15-Jul-31	7.84	118.40	6.47%	6.55%	117.82	Premium
FR91	6.375	15-Apr-32	8.59	98.67	6.58%	6.59%	98.63	Premium
FR58	8.250	15-Jun-32	8.75	111.80	6.46%	6.59%	110.88	Premium
FR74	7.500	15-Aug-32	8.92	105.96	6.60%	6.60%	105.99	Fair
FR96	7.000	15-Feb-33	9.43	102.50	6.64%	6.62%	102.64	Discounted
FR65	6.625	15-May-33	9.67	100.02	6.62%	6.63%	99.98	Premium
FR68	8.375	15-Mar-34	10.50	112.41	6.71%	6.65%	112.87	Discounted
FR80	7.500	15-Jun-35	11.75	106.26	6.72%	6.69%	106.52	Discounted
FR72	8.250	15-May-36	12.67	112.69	6.74%	6.71%	113.00	Discounted
FR88	6.250	15-Jun-36	12.75	99.16	6.35%	6.71%	96.08	Premium
FR45	9.750	15-May-37	13.67	125.78	6.82%	6.73%	126.70	Discounted
FR93	6.375	15-Jul-37	13.84	99.95	6.38%	6.73%	96.80	Premium
FR75	7.500	15-May-38	14.67	106.66	6.78%	6.75%	106.92	Discounted
FR50	10.500	15-Jul-38	14.84	135.66	6.67%	6.75%	134.78	Premium
FR98	7.125	15-Jun-38	14.75	103.37	6.76%	6.75%	103.46	Discounted
FR79	8.375	15-Apr-39	15.59	115.81	6.72%	6.76%	115.38	Premium
FR83	7.500	15-Apr-40	16.59	106.53	6.84%	6.78%	107.13	Discounted
FR57	9.500	15-May-41	17.67	128.50	6.72%	6.79%	127.63	Premium
FR62	6.375	15-Apr-42	18.59	98.06	6.56%	6.80%	95.54	Premium
FR92	7.125	15-Jun-42	18.75	103.02	6.84%	6.80%	103.38	Discounted
FR97	7.125	15-Jun-43	19.75	103.20	6.83%	6.81%	103.35	Discounted
FR67	8.750	15-Feb-44	20.42	120.50	6.87%	6.82%	121.12	Discounted
FR76	7.375	15-May-48	24.67	106.38	6.84%	6.85%	106.20	Premium
FR89	6.875	15-Aug-51	27.92	100.19	6.86%	6.87%	100.09	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

Disclaimer

This research report has been issued by PT MNC Sekuritas, It may not be reproduced or further distributed or published, in whole or in part, for any purpose. PT MNC Sekuritas has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; PT MNC Sekuritas makes no guarantee, representation or warranty and accepts no responsibility to liability as to its accuracy or completeness. Expression of opinion herein are those of the research department only and are subject to change without notice. This document is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment. PT MNC Sekuritas and its affiliates and/or their offices, director and employees may own or have positions in any investment mentioned herein or any investment related thereto and may from time to time add to or dispose of any such investment. PT MNC Sekuritas and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discusses herein (or investment related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.