

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,982.79	+0.34%
STI	3,280.69	+0.96%
HSI	18,182.89	+0.75%
SSEC	3,117.74	-0.28%
FTSE	7,711.38	+0.50%
GDAX	15,893.53	+0.56%
DJI	34,618.24	-0.83%
S&P 500	4,450.32	-1.22%
NDX	13,708.34	-1.56%

10-yr Bond	Last	Bps
ID	6.67	+3.76
US	4.29	+3.90
UK	4.36	+7.70
JP	0.72	-0.10
CN	2.67	+3.30
MY	3.88	-0.10
TH	2.97	-1.00

Exchange Rate	Last	%
USD/IDR	15,353	-0.01%
EUR/IDR	16,376	-0.64%
GBP/IDR	19,097	-0.39%
HKD/IDR	1,962	-0.01%
SGD/IDR	11,271	-0.11%
AUD/IDR	9,905	+0.25%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	77.88	+0.3%
VIX	12.71	-0.9%

Sources : Bloomberg, MNCS

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Global Market Updates

- Wall Street indexes reversed their gains Friday (Sep 15, 2023) with the tech sector weighing down index movements the most as investors scrambled to safety ahead of the FOMC Meeting to be held this week. Dow Jones slipped 0.83%, the S&P 500 was down by 1.22% and Nasdaq fell 1.56%.
- At the same time US Treasuries closed lower, with the 10-yr UST yield rising by c. 4 bps to 4.33%, followed by the shorter 2-yr yields rise of 2 bps to 5.02%.
- A flurry of nuanced data releases last week propelled the bearish sentiments for stocks and T notes. Pressures came from hawkish ECB comments, pushing European bond yields soaring (10-yr German bund soared 8.2 bps to 2.68%, while 10-yr UK gilts leaped 7.7 bps to 4.36%).
- Moreover, a stronger-than-expected Sep Empire manufacturing activity (+20.9 vs expectations of -10.0) and Aug industrial production (0.4% vs 0.1%) portended resilient economy and potential for resistant inflation levels, further biting down on bonds.
- On the other hand, consumer sentiment conditions revealed by Michigan University reflected a faltering of consumer confidence in the current direction of the economy (fell to 67.7 and deeper than estimates of 69.1), which was aligned with the narrative that the Fed's aggressive campaign against inflation is working.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds unanimously retreated further Friday (Sep 15, 2023). The 10-yr benchmark series yield jumped 3.8 bps to 6.67%. The 2s10s Indo GB spread widened to 45 bps.
- Indonesian external debt remained at manageable levels as of Jul-23, recorded at USD396.4bn or contracted 0.9% YoY on the back of declining private sector credit demand and a generally weak USD trend before its rally alongside energy prices.
- IDR mostly strengthened against global major currencies, appreciating slightly against the USD on limited DXY bullish sentiments (USD/IDR down -0.01%).
- Last Friday's August trade balance data reading showed a higher-than-expected surplus of USD3.12bn (vs Jul-23's USD1.29bn), bolstered by an improvement in the non-oil-and-gas trade surplus (USD4.47bn vs Jul-23's USD3.20bn).
- The increase in surplus can be largely attributed to higher metal ore and CPO exports. With China's August retail sales and industrial production improvement (4.6% and 4.5% YoY vs expectations of 3% and 3.9%, respectively) should bode well for Indonesia's balance and IDR strength going forward.

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 6.55-6.65% for today.
- Attractive Indo GB series to be traded today : FR0081, FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Sep 15, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.25	6.31%	100.42	6.27%
FR0096	10-year	102.30	6.67%	102.57	6.63%
FR0098	15-year	102.79	6.82%	103.24	6.77%
FR0097	20-year	102.75	6.87%	103.18	6.83%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Sep 15, 2023)

Rating	0.1	1	3	5	10
AAA	21.78	38.54	52.72	62.02	76.33
AA	47.08	82.11	113.18	141.16	180.60
A	143.12	200.97	252.40	294.11	347.94
BBB	337.93	395.65	455.41	508.63	596.16

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

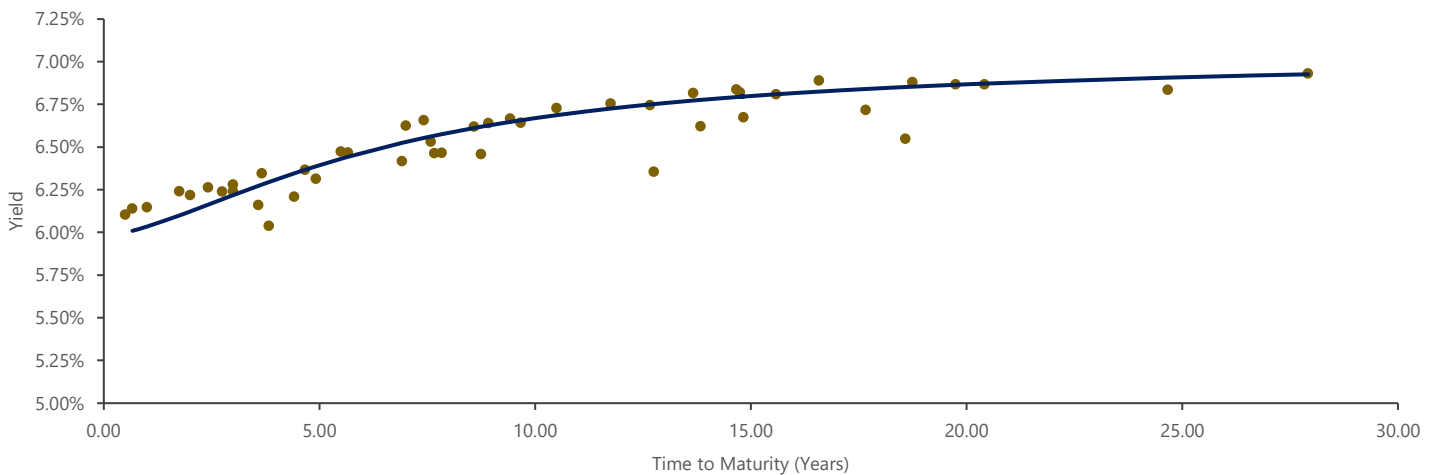
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Sep 15, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.50	101.08	6.10%	6.00%	101.15	Discounted
FR77	8.125	15-May-24	0.66	101.24	6.14%	6.01%	101.35	Discounted
FR44	10.000	15-Sep-24	1.00	103.64	6.15%	6.03%	103.79	Discounted
FR81	6.500	15-Jun-25	1.75	100.41	6.24%	6.10%	100.64	Discounted
FR40	11.000	15-Sep-25	2.00	108.82	6.22%	6.12%	109.05	Discounted
FR84	7.250	15-Feb-26	2.42	102.16	6.26%	6.16%	102.40	Discounted
FR86	5.500	15-Jun-26	2.75	98.26	6.24%	6.19%	98.26	Discounted
FR37	12.000	15-Sep-26	3.00	115.49	6.24%	6.22%	115.60	Discounted
FR56	8.375	15-Sep-26	3.00	105.63	6.28%	6.22%	105.82	Discounted
FR90	5.125	15-Apr-27	3.58	96.72	6.16%	6.27%	96.36	Premium
FR59	7.000	15-May-27	3.66	102.10	6.35%	6.28%	102.31	Discounted
FR42	10.250	15-Jul-27	3.83	114.16	6.04%	6.29%	113.26	Premium
FR47	10.000	15-Feb-28	4.42	114.41	6.21%	6.35%	113.87	Premium
FR64	6.125	15-May-28	4.66	99.03	6.37%	6.37%	99.03	Fair
FR95	6.375	15-Aug-28	4.92	100.25	6.31%	6.39%	99.94	Premium
FR71	9.000	15-Mar-29	5.50	111.52	6.47%	6.43%	111.75	Discounted
FR78	8.250	15-May-29	5.66	108.31	6.47%	6.44%	108.45	Discounted
FR52	10.500	15-Aug-30	6.92	122.48	6.42%	6.52%	121.83	Premium
FR82	7.000	15-Sep-30	7.00	102.07	6.63%	6.53%	102.61	Discounted
FR87	6.500	15-Feb-31	7.42	99.09	6.66%	6.55%	99.68	Discounted
FR85	7.750	15-Apr-31	7.58	107.18	6.53%	6.56%	107.00	Premium
FR73	8.750	15-May-31	7.66	113.61	6.46%	6.57%	112.97	Premium
FR54	9.500	15-Jul-31	7.83	118.38	6.47%	6.58%	117.67	Premium
FR91	6.375	15-Apr-32	8.58	98.42	6.62%	6.61%	98.46	Discounted
FR58	8.250	15-Jun-32	8.75	111.81	6.46%	6.62%	110.69	Premium
FR74	7.500	15-Aug-32	8.92	105.70	6.64%	6.63%	105.80	Discounted
FR96	7.000	15-Feb-33	9.42	102.30	6.67%	6.65%	102.43	Discounted
FR65	6.625	15-May-33	9.66	99.87	6.64%	6.66%	99.76	Premium
FR68	8.375	15-Mar-34	10.50	112.25	6.73%	6.69%	112.59	Discounted
FR80	7.500	15-Jun-35	11.75	105.95	6.76%	6.73%	106.21	Discounted
FR72	8.250	15-May-36	12.66	112.66	6.75%	6.75%	112.62	Fair
FR88	6.250	15-Jun-36	12.75	99.08	6.36%	6.75%	95.74	Premium
FR45	9.750	15-May-37	13.66	125.80	6.82%	6.77%	126.25	Discounted
FR93	6.375	15-Jul-37	13.83	99.79	6.62%	6.78%	96.42	Premium
FR75	7.500	15-May-38	14.66	106.06	6.84%	6.79%	106.49	Discounted
FR50	10.500	15-Jul-38	14.83	135.65	6.67%	6.80%	134.26	Premium
FR98	7.125	15-Jun-38	14.75	102.79	6.82%	6.79%	103.03	Discounted
FR79	8.375	15-Apr-39	15.58	114.88	6.81%	6.81%	114.89	Fair
FR83	7.500	15-Apr-40	16.58	105.97	6.89%	6.83%	106.63	Discounted
FR57	9.500	15-May-41	17.66	128.50	6.72%	6.84%	127.02	Premium
FR62	6.375	15-Apr-42	18.58	98.15	6.55%	6.85%	95.02	Premium
FR92	7.125	15-Jun-42	18.75	102.54	6.88%	6.85%	102.82	Discounted
FR97	7.125	15-Jun-43	19.75	102.75	6.87%	6.86%	102.77	Fair
FR67	8.750	15-Feb-44	20.42	120.50	6.87%	6.87%	120.44	Fair
FR76	7.375	15-May-48	24.66	106.37	6.84%	6.91%	105.50	Premium
FR89	6.875	15-Aug-51	27.92	99.30	6.93%	6.93%	99.36	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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