

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,936.08	-0.67%
STI	3,263.39	-0.53%
HSI	17,930.55	-1.39%
SSEC	3,125.93	+0.26%
FTSE	7,652.94	-0.76%
GDAX	15,727.12	+1.05%
DJI	34,624.30	+0.02%
S&P 500	4,453.53	+0.07%
NDX	13,710.24	+0.01%

10-yr Bond	Last	Bps
ID	6.70	+0.19
US	4.30	-0.20
UK	4.39	+3.30
JP	0.72	+0.40
CN	2.68	+0.40
MY	3.90	+1.40
TH	3.01	+3.80

Exchange Rate	Last	%
USD/IDR	15,370	+0.11%
EUR/IDR	16,388	+0.07%
GBP/IDR	19,028	-0.36%
HKD/IDR	1,965	+0.17%
SGD/IDR	11,266	-0.05%
AUD/IDR	9,896	-0.09%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	80.06	+0.27%
VIX	14.00	+1.5%

Sources : Bloomberg, MNCS

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Global Market Updates

- Wall Street indexes saw muted movements Monday (Sep 18, 2023), kept afloat by gains in US Treasuries while investors remain cautious ahead of the FOMC meeting.
- US Treasury notes strengthened Monday, with the 10-yr UST yield edging down c. 1 bps to 4.32%, while the shorter 2-yr yields gained another 3 bps to 5.05%.
- Investors' hesitance came from US NAHB housing index that fell 5 points to 45, weaker than expectations of only a 1 point drop to 49, reflecting a diminishing confidence among homebuilders and we might see more decline in house building activities in the coming months from pinching mortgage rates.
- Global bonds also saw bearish movements after ECB and BoE was faced with the likelihood of facing further tightening as the only means to avoid an undesirable stagflation. the 10-yr German bunds yield rose 3.3 bps to 2.71%, whereas the UK 10-yr gilts was sent up 3.4 bps to 3.39%.
- Bonds from the Asian markets saw similar trends, with the Chinese 10-yr gov't bonds to resume its sell-off (yield went 0.6 bps higher), followed by Malaysia's 10-yr and Thailand's 10-yr gov't bond yields that rose 1.4 bps and 3.8 bps, respectively.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds continued its sell-off Monday (Sep 18, 2023), as opposed to our expectation. The 10-yr benchmark series yield jumped another c. 3 bps to 6.70%. The 2s10s Indo GB spread remained flat at 46 bps.
- The government will auction SUN today with an indicative target of IDR14tn. We expect today's auction will likely have a lower total incoming bids than previously. However, the total winning bids might have the potential to increase.
- Considering the results of the number of bids entered into the previous FR0100 auction on Sep 5, we see that FR0100 has the potential to be the most attractive bond for investors.
- IDR mostly strengthened against global major currencies, appreciating slightly against the USD on limited DXY bullish sentiments (USD/IDR down -0.01%).

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 6.65-6.75% for today.
- Attractive Indo GB series to be traded today : FR0081, FR0082, FR0087, FR0096, FR0100.

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

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.11	6.35%	100.25	6.31%
FR0096	10-year	102.04	6.70%	102.30	6.67%
FR0098	15-year	102.01	6.90%	102.79	6.82%
FR0097	20-year	101.55	6.98%	102.75	6.87%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	21.95	40.30	54.18	62.02	76.33
AA	47.13	80.37	112.32	141.16	180.60
A	140.81	202.45	255.08	294.11	347.94
BBB	335.94	395.10	454.81	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

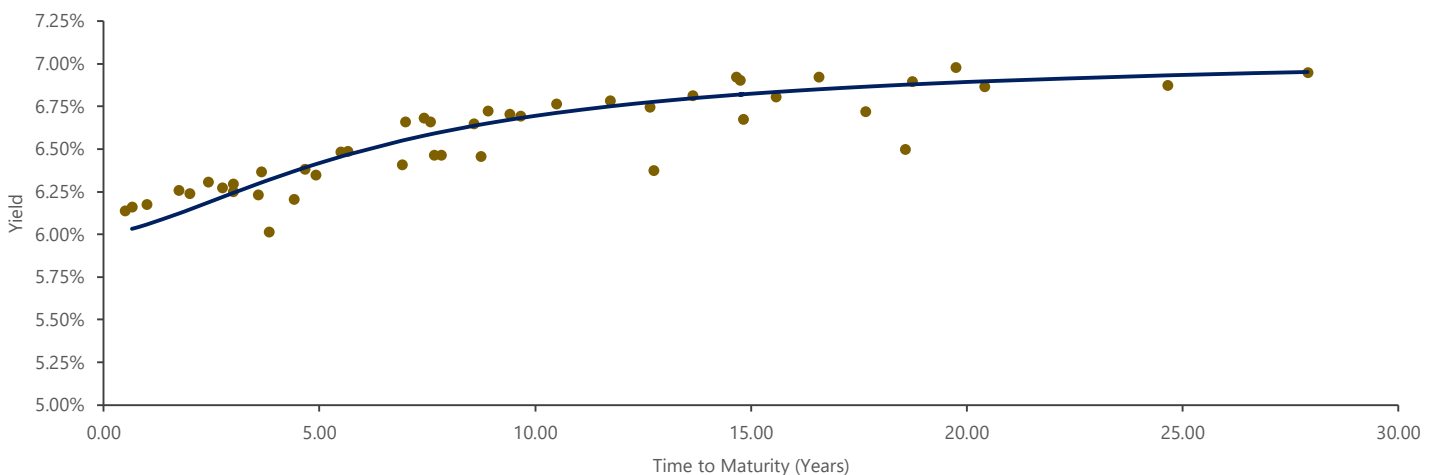
Sources : DJPPR, MNCS

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

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.49	101.05	6.14%	6.02%	101.12	Discounted
FR77	8.125	15-May-24	0.66	101.22	6.16%	6.03%	101.32	Discounted
FR44	10.000	15-Sep-24	0.99	103.60	6.18%	6.06%	103.74	Discounted
FR81	6.500	15-Jun-25	1.74	100.38	6.26%	6.12%	100.60	Discounted
FR40	11.000	15-Sep-25	1.99	108.77	6.24%	6.15%	108.97	Discounted
FR84	7.250	15-Feb-26	2.41	102.07	6.31%	6.19%	102.34	Discounted
FR86	5.500	15-Jun-26	2.74	98.19	6.27%	6.22%	98.21	Fair
FR37	12.000	15-Sep-26	2.99	115.44	6.25%	6.24%	115.49	Fair
FR56	8.375	15-Sep-26	2.99	105.58	6.29%	6.24%	105.74	Fair
FR90	5.125	15-Apr-27	3.57	96.51	6.23%	6.30%	96.30	Fair
FR59	7.000	15-May-27	3.66	102.03	6.37%	6.30%	102.23	Fair
FR42	10.250	15-Jul-27	3.82	114.25	6.01%	6.32%	113.15	Premium
FR47	10.000	15-Feb-28	4.41	114.41	6.21%	6.37%	113.75	Premium
FR64	6.125	15-May-28	4.66	98.98	6.38%	6.39%	98.93	Fair
FR95	6.375	15-Aug-28	4.91	100.11	6.35%	6.41%	99.84	Fair
FR71	9.000	15-Mar-29	5.49	111.46	6.48%	6.46%	111.61	Fair
FR78	8.250	15-May-29	5.66	108.23	6.48%	6.47%	108.32	Fair
FR52	10.500	15-Aug-30	6.91	122.52	6.41%	6.55%	121.66	Premium
FR82	7.000	15-Sep-30	6.99	101.88	6.66%	6.55%	102.47	Discounted
FR87	6.500	15-Feb-31	7.41	98.95	6.68%	6.58%	99.54	Discounted
FR85	7.750	15-Apr-31	7.57	106.39	6.66%	6.59%	106.84	Fair
FR73	8.750	15-May-31	7.66	113.63	6.46%	6.59%	112.81	Premium
FR54	9.500	15-Jul-31	7.82	118.38	6.47%	6.60%	117.49	Premium
FR91	6.375	15-Apr-32	8.57	98.23	6.65%	6.64%	98.31	Fair
FR58	8.250	15-Jun-32	8.74	111.81	6.46%	6.64%	110.51	Premium
FR74	7.500	15-Aug-32	8.91	105.14	6.72%	6.65%	105.63	Fair
FR96	7.000	15-Feb-33	9.41	102.04	6.70%	6.67%	102.26	Fair
FR65	6.625	15-May-33	9.66	99.51	6.69%	6.68%	99.59	Fair
FR68	8.375	15-Mar-34	10.49	111.97	6.76%	6.71%	112.38	Fair
FR80	7.500	15-Jun-35	11.74	105.74	6.78%	6.75%	106.00	Fair
FR72	8.250	15-May-36	12.66	112.66	6.75%	6.77%	112.39	Fair
FR88	6.250	15-Jun-36	12.74	98.91	6.38%	6.78%	95.54	Premium
FR45	9.750	15-May-37	13.66	125.82	6.81%	6.80%	125.99	Fair
FR93	6.375	15-Jul-37	13.82	96.71	66.74%	6.80%	96.21	Discounted
FR75	7.500	15-May-38	14.66	105.25	6.92%	6.82%	106.25	Discounted
FR50	10.500	15-Jul-38	14.82	135.65	6.67%	6.82%	133.96	Premium
FR98	7.125	15-Jun-38	14.74	102.01	6.90%	6.82%	102.80	Fair
FR79	8.375	15-Apr-39	15.57	114.90	6.81%	6.83%	114.62	Fair
FR83	7.500	15-Apr-40	16.57	105.66	6.92%	6.85%	106.37	Fair
FR57	9.500	15-May-41	17.66	128.50	6.72%	6.87%	126.71	Premium
FR62	6.375	15-Apr-42	18.57	98.69	6.50%	6.88%	94.78	Premium
FR92	7.125	15-Jun-42	18.74	102.39	6.89%	6.88%	102.56	Fair
FR97	7.125	15-Jun-43	19.74	101.55	6.98%	6.89%	102.50	Fair
FR67	8.750	15-Feb-44	20.41	120.50	6.87%	6.90%	120.13	Fair
FR76	7.375	15-May-48	24.66	105.93	6.87%	6.93%	105.19	Fair
FR89	6.875	15-Aug-51	27.91	99.08	6.95%	6.95%	99.06	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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