

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,991.71	-0.07%
STI	3,226.83	-0.37%
HSI	18,456.91	-2.06%
SSEC	3,154.37	-0.71%
FTSE	7,437.93	-0.20%
GDAX	15,771.71	-0.34%
DJI	34,641.97	-0.56%
S&P 500	4,496.83	-0.42%
NDX	14,020.95	-0.08%

10-yr Bond	Last	Bps
ID	6.42	+5.95
US	4.27	+8.70
UK	4.53	+6.20
JP	0.66	+1.40
CN	2.65	+0.40
MY	3.85	+0.30
TH	2.81	+2.80

Exchange Rate	Last	%
USD/IDR	15,265	+0.16%
EUR/IDR	16,411	-0.25%
GBP/IDR	19,140	-0.55%
HKD/IDR	1,948	+0.14%
SGD/IDR	11,219	-0.30%
AUD/IDR	9,738	-1.14%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	79.05	+0.3%
VIX	14.01	+1.4%

Sources : Bloomberg, MNCS

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Global Market Updates

- US equity indexes lacked any significant drive Tuesday, induced by weaker-than-expected economic data readings coming from China and the Euro Area which in turn gave risk-off sentiments for asset holders.
- China's August Caixin services PMI fell -2.3 to 8-month low of 51.8 (vs forecasts of 53.5), whereas the Eurozone Aug composite PMI was revised downwards to 46.7 from 47.
- Several US economic data releases yesterday further supported the case for rate holds to be the Fed's next move: July factory orders slipped -2.1% MoM, marking the biggest fall in 8 months.
- Market participants are pricing in the likelihood of rate pauses ahead (93%, 61.9% and 59.5% probability of rate holds in Sep, Nov and Dec-23 FOMC meetings), echoed by Fed's Waller wait-and-see stance.
- The 10-yr UST notes climbing 8.7 bps to finish at 4.27%. The 2-yr UST notes followed suit by jumping c. 7 bps and closed at 4.94%, rendering the 2s10s yield spread at -64 bps.
- Global bond yields overall closed higher Tuesday, with UK's 10-yr gilt rising 6.2 bps to 4.52%, Germany's 10-yr bund gaining 3.3 bps to 2.61% and Japan's 10-yr GB jumping 1.4 bps to 0.66% as weak demands was showcased in the 10-yr bond auction.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds mostly closed lower Tuesday (Sep 5, 2023). The 10-yr benchmark series yield shot up 6 bps to 6.42%.
- The government securities auction yesterday fell short of our expectations, securing a total bid of only IDR20tn (vs last auction's IDR34.6tn), concurrent with sizable foreign net outflows recorded the day before (Sep 4, 2023) amounting to IDR1.26tn.
- The new 10-yr benchmark candidate (FR0100) secured the most bids/awarded bids of IDR9tn/IDR5.8tn.
- IDR closed mixed against world major currencies, depreciating against the USD (USD/IDR edged up 0.16%).

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 6.40-6.50% for today.
- Attractive Indo GB series to be traded today : FR0070, FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Sep 5, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	100.97	6.14%	101.26	6.08%
FR0096	10-year	104.06	6.42%	104.49	6.36%
FR0098	15-year	105.66	6.52%	106.28	6.46%
FR0097	20-year	105.41	6.63%	105.76	6.60%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Sep 5, 2023)

Rating	0.1	1	3	5	10
AAA	20.79	40.36	52.77	63.30	82.13
AA	56.06	90.24	121.80	147.29	184.65
A	144.76	197.17	247.41	294.43	349.11
BBB	340.92	401.09	450.74	501.59	603.69

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

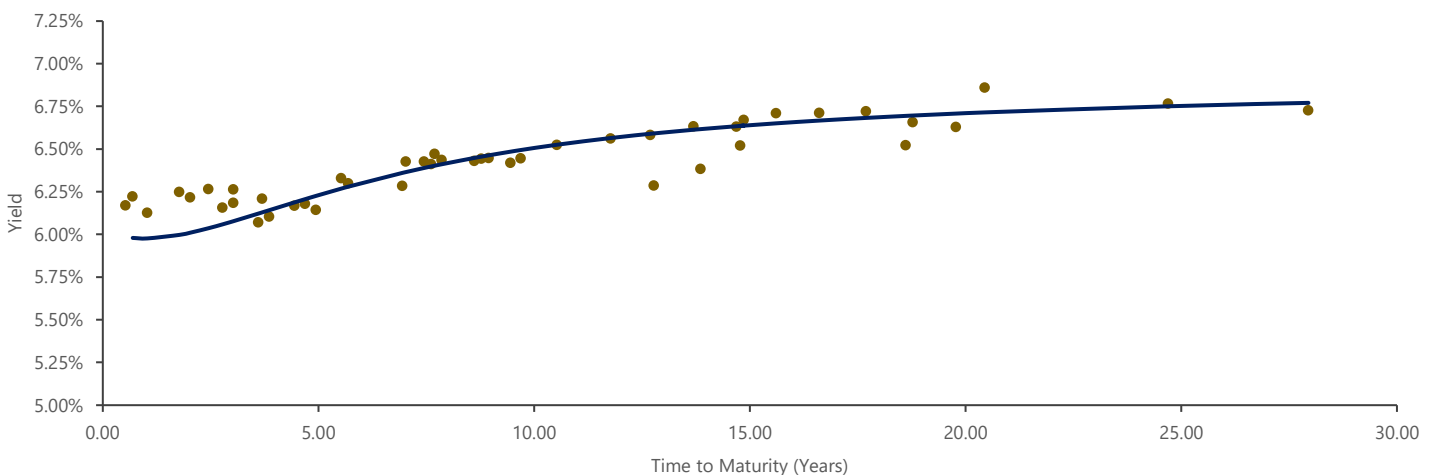
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Sep 5, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.52	101.11	6.17%	5.98%	101.22	Discounted
FR77	8.125	15-May-24	0.69	101.25	6.22%	5.98%	101.42	Discounted
FR44	10.000	15-Sep-24	1.03	103.78	6.13%	5.98%	103.95	Discounted
FR81	6.500	15-Jun-25	1.78	100.40	6.25%	6.00%	100.82	Discounted
FR40	11.000	15-Sep-25	2.03	108.96	6.22%	6.01%	109.39	Discounted
FR84	7.250	15-Feb-26	2.45	102.19	6.26%	6.04%	102.72	Discounted
FR86	5.500	15-Jun-26	2.78	98.44	6.16%	6.06%	98.58	Discounted
FR37	12.000	15-Sep-26	3.03	115.80	6.18%	6.08%	116.15	Discounted
FR56	8.375	15-Sep-26	3.03	105.73	6.26%	6.08%	106.27	Discounted
FR90	5.125	15-Apr-27	3.61	96.98	6.07%	6.12%	96.81	Premium
FR59	7.000	15-May-27	3.69	102.56	6.21%	6.13%	102.83	Discounted
FR42	10.250	15-Jul-27	3.86	114.03	6.10%	6.14%	113.91	Premium
FR47	10.000	15-Feb-28	4.45	114.67	6.17%	6.19%	114.61	Premium
FR64	6.125	15-May-28	4.69	99.77	6.18%	6.21%	99.66	Premium
FR95	6.375	15-Aug-28	4.94	100.97	6.14%	6.22%	100.63	Premium
FR71	9.000	15-Mar-29	5.52	112.28	6.33%	6.27%	112.60	Discounted
FR78	8.250	15-May-29	5.69	109.19	6.30%	6.28%	109.30	Discounted
FR52	10.500	15-Aug-30	6.94	123.40	6.28%	6.36%	122.94	Premium
FR82	7.000	15-Sep-30	7.03	103.20	6.43%	6.36%	103.55	Discounted
FR87	6.500	15-Feb-31	7.45	100.43	6.43%	6.39%	100.65	Discounted
FR85	7.750	15-Apr-31	7.61	107.95	6.41%	6.40%	108.04	Discounted
FR73	8.750	15-May-31	7.69	113.61	6.47%	6.40%	113.08	Discounted
FR54	9.500	15-Jul-31	7.86	118.64	6.44%	6.41%	118.83	Discounted
FR91	6.375	15-Apr-32	8.61	99.63	6.43%	6.45%	99.52	Premium
FR58	8.250	15-Jun-32	8.78	111.94	6.44%	6.45%	111.87	Premium
FR74	7.500	15-Aug-32	8.94	107.06	6.45%	6.46%	106.96	Premium
FR96	7.000	15-Feb-33	9.45	104.06	6.42%	6.48%	103.60	Premium
FR65	6.625	15-May-33	9.69	101.26	6.45%	6.49%	100.92	Premium
FR68	8.375	15-Mar-34	10.52	113.93	6.52%	6.52%	113.93	Fair
FR80	7.500	15-Jun-35	11.78	107.59	6.56%	6.56%	107.58	Fair
FR72	8.250	15-May-36	12.69	114.18	6.58%	6.59%	114.12	Premium
FR88	6.250	15-Jun-36	12.78	99.67	6.29%	6.59%	97.07	Premium
FR45	9.750	15-May-37	13.69	127.74	6.63%	6.61%	127.96	Discounted
FR93	6.375	15-Jul-37	13.86	99.91	6.38%	6.62%	97.82	Premium
FR75	7.500	15-May-38	14.69	108.07	6.63%	6.63%	108.05	Fair
FR50	10.500	15-Jul-38	14.86	135.73	6.67%	6.64%	136.13	Discounted
FR98	7.125	15-Jun-38	14.78	105.66	6.52%	6.63%	104.56	Premium
FR79	8.375	15-Apr-39	15.61	115.94	6.71%	6.65%	116.59	Discounted
FR83	7.500	15-Apr-40	16.61	107.81	6.71%	6.67%	108.29	Discounted
FR57	9.500	15-May-41	17.69	128.49	6.72%	6.68%	128.98	Discounted
FR62	6.375	15-Apr-42	18.61	98.41	6.52%	6.69%	96.63	Premium
FR92	7.125	15-Jun-42	18.78	104.95	6.66%	6.70%	104.54	Premium
FR97	7.125	15-Jun-43	19.78	105.41	6.63%	6.71%	104.53	Premium
FR67	8.750	15-Feb-44	20.44	120.61	6.86%	6.71%	122.46	Discounted
FR76	7.375	15-May-48	24.69	107.26	6.77%	6.75%	107.45	Discounted
FR89	6.875	15-Aug-51	27.94	101.86	6.73%	6.77%	101.31	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

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