

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,896.29	-0.44%
STI	3,161.89	-0.69%
HSI	17,640.36	-0.97%
SSEC	3,073.81	-0.46%
FTSE	7,630.63	+0.41%
GDAX	15,237.99	+0.34%
DJI	33,984.54	+0.93%
S&P 500	4,373.63	+1.06%
NDX	13,567.98	+1.20%
10-yr Bond	Last	Bps
ID	6.74	+0.00
US	4.71	+9.30
UK	4.48	+9.50
JP	0.76	+0.00
CN	2.68	+0.10
MY	4.04	+0.30
TH	3.29	+3.60
Exchange Rate	Last	%
USD/IDR	15,720	+0.24%
EUR/IDR	16,576	+0.15%
GBP/IDR	19,120	-0.18%
HKD/IDR	2,011	+0.29%
SGD/IDR	11,481	+0.18%
AUD/IDR	9,946	+0.31%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	96.35	+0.7%
VIX	17.21	-10.9%

Sources : Bloomberg, MNCS

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Global Market Updates

- US equity indexes closed in the green Monday (Oct 16, 2023), after escalation prospects in the Israel-Hamas clash was tamed down by diplomatic efforts from President Biden's direct visit to Israel. Market participants had been eager to take part in the equity markets from what is expected to be an encouraging Q3 earnings season, despite yesterday's 10-yr yield jump by 9 bps.
- The US Oct Empire manufacturing survey showed a stronger condition than was expected, falling shallower to -4.6 as instead of -6.0, weighing on the UST 10-yr yields that climbed back to 4.71%, followed by 2-yr yields rising 5 bps to 5.09%.
- A rates outlook tug-of-war persisted starting the week; we've seen dovish statements from Fed's Harker, advocating that small firms are already in distress and current rate levels are already sufficient to quell inflation. From the other corner we see hawkish remarks from Treasury Secretary Yellen to leave the market uncertain.
- We do believe that yields are to fluctuate within the current high levels and assist the Fed's QT campaign, in which case the no-more-hikes narrative that markets are pricing in are the most likely scenario.
- The PBoC has deployed another wave of stimulus into the country's finances through medium-term lending facility yesterday, amounting to CNY289bn (USD39.6bn), to provide liquidity boost, amid declining loan growth.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds movements were mixed Monday (Oct 16, 2023) with the front-end yield bear flattening. The 10-yr benchmark series yield stood flat at 6.76%.
- IDR weakened against USD and other global major currencies (USD/IDR rebounded 0.24% to 15,720), despite better-than-expected trade balance performance.
- Today's Indonesian gov't securities auction will feature two new SPN issuances (SPN03240117 and SPN12241017), and reopenings of the LCY gov't benchmark series, with an indicative and maximum target similar to the previous auction at IDR19tn and IDR18.5tn, respectively.
- With the peak of policy rates hikes becoming more apparent, we anticipate markets to respond well to the auction and incite a considerable amount of bids as the last auction (c. IDR20-22tn), with the 10-yr benchmark to be the main spectacle.
- On a WtD basis up to Oct 13, 2023, Indonesian gov't securities posted a net inflow of IDR8.0tn, with the banking sector accruing IDR19.1tn over that period, followed by corporations and securities companies (IDR6.7tn).

Market Forecast

- Given the recent developments that unfolded within the global and domestic markets, we expect the 10-yr Indo GB yield to move within the range of 6.70-6.80% for today.
- Attractive Indo GB series to be traded today : FR0040, FR0059, FR0081, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Oct 16, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	99.08	6.60%	99.15	6.58%
FR0096	10-year	101.75	6.74%	101.62	6.76%
FR0098	15-year	101.12	7.00%	101.02	7.01%
FR0097	20-year	100.92	7.04%	100.87	7.04%

Sources : Bloomberg, MNCS

Exhibit 4. Corporate Bond Credit Spread Matrices (Oct 16, 2023)

Rating	0.1	1	3	5	10
AAA	21.45	38.22	47.92	62.72	84.70
AA	48.86	78.05	104.66	129.67	168.39
A	145.55	203.02	256.14	295.00	348.96
BBB	341.92	390.56	446.65	503.89	595.86

Sources : IBPA, MNCS

Exhibit 5. Government Bond Ownership by Type (%) (Sep 29, 2023)

Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28	20.50	20.92	21.20	21.66

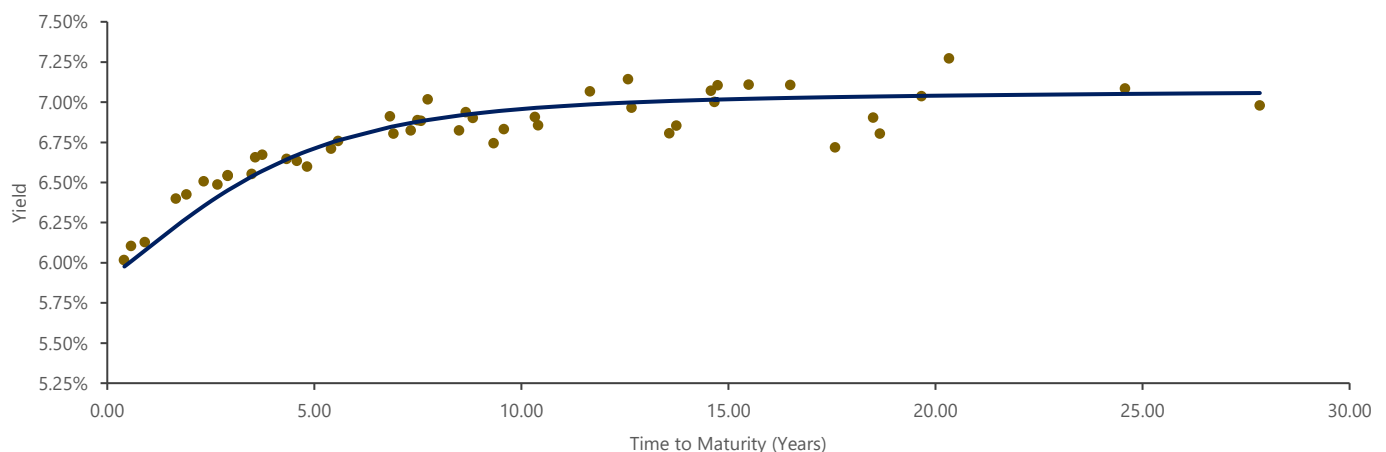
Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Oct 16, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.41	100.93	6.02%	5.98%	100.95	Discounted
FR77	8.125	15-May-24	0.58	101.12	6.10%	6.01%	101.18	Discounted
FR44	10.000	15-Sep-24	0.92	103.37	6.13%	6.08%	103.43	Discounted
FR81	6.500	15-Jun-25	1.66	100.15	6.40%	6.23%	100.41	Discounted
FR40	11.000	15-Sep-25	1.92	108.09	6.43%	6.28%	108.39	Discounted
FR84	7.250	15-Feb-26	2.34	101.57	6.51%	6.35%	101.90	Discounted
FR86	5.500	15-Jun-26	2.66	97.77	6.49%	6.41%	97.79	Discounted
FR37	12.000	15-Sep-26	2.92	114.24	6.54%	6.45%	114.52	Discounted
FR56	8.375	15-Sep-26	2.92	104.77	6.54%	6.45%	105.03	Discounted
FR90	5.125	15-Apr-27	3.50	95.61	6.55%	6.54%	95.64	Fair
FR59	7.000	15-May-27	3.58	101.08	6.65%	6.55%	101.41	Discounted
FR42	10.250	15-Jul-27	3.75	111.66	6.67%	6.57%	112.02	Discounted
FR47	10.000	15-Feb-28	4.33	112.42	6.65%	6.64%	112.44	Fair
FR64	6.125	15-May-28	4.58	98.02	6.63%	6.67%	97.87	Premium
FR95	6.375	15-Aug-28	4.83	99.08	6.60%	6.70%	98.68	Premium
FR71	9.000	15-Mar-29	5.41	110.24	6.71%	6.75%	110.06	Premium
FR78	8.250	15-May-29	5.58	106.84	6.76%	6.76%	106.81	Fair
FR52	10.500	15-Aug-30	6.83	119.26	6.91%	6.85%	119.66	Discounted
FR82	7.000	15-Sep-30	6.92	101.06	6.80%	6.85%	100.80	Premium
FR87	6.500	15-Feb-31	7.34	98.15	6.82%	6.87%	97.88	Premium
FR85	7.750	15-Apr-31	7.50	104.98	6.89%	6.88%	105.04	Fair
FR73	8.750	15-May-31	7.58	110.88	6.88%	6.88%	110.88	Fair
FR54	9.500	15-Jul-31	7.75	114.62	7.02%	6.89%	115.45	Discounted
FR91	6.375	15-Apr-32	8.50	97.15	6.82%	6.92%	96.56	Premium
FR58	8.250	15-Jun-32	8.66	108.43	6.94%	6.92%	108.52	Fair
FR74	7.500	15-Aug-32	8.83	103.90	6.90%	6.93%	103.71	Fair
FR96	7.000	15-Feb-33	9.34	101.75	6.74%	6.94%	100.38	Premium
FR65	6.625	15-May-33	9.58	98.57	6.83%	6.95%	97.75	Premium
FR100	6.625	15-Feb-34	10.34	97.93	6.91%	6.97%	104.79	Premium
FR68	8.375	15-Mar-34	10.41	111.17	6.85%	6.97%	110.30	Premium
FR80	7.500	15-Jun-35	11.66	103.39	7.07%	6.99%	104.03	Discounted
FR72	8.250	15-May-36	12.58	109.09	7.14%	7.00%	110.35	Discounted
FR88	6.250	15-Jun-36	12.66	94.05	6.96%	7.00%	93.76	Premium
FR45	9.750	15-May-37	13.58	125.82	6.80%	7.01%	123.76	Premium
FR93	6.375	15-Jul-37	13.75	95.78	6.85%	7.01%	94.44	Premium
FR75	7.500	15-May-38	14.58	103.87	7.07%	7.02%	104.37	Discounted
FR50	10.500	15-Jul-38	14.75	130.71	7.10%	7.02%	131.66	Discounted
FR98	7.125	15-Jun-38	14.66	101.12	7.00%	7.02%	100.97	Fair
FR79	8.375	15-Apr-39	15.50	111.79	7.11%	7.02%	112.66	Discounted
FR83	7.500	15-Apr-40	16.50	103.79	7.11%	7.03%	104.57	Discounted
FR57	9.500	15-May-41	17.58	128.45	6.72%	7.03%	124.67	Premium
FR62	6.375	15-Apr-42	18.50	94.54	6.90%	7.04%	93.22	Premium
FR92	7.125	15-Jun-42	18.66	98.68	6.80%	7.04%	100.90	Premium
FR97	7.125	15-Jun-43	19.66	100.92	7.04%	7.04%	100.88	Fair
FR67	8.750	15-Feb-44	20.33	115.55	7.27%	7.04%	118.30	Discounted
FR76	7.375	15-May-48	24.58	103.35	7.08%	7.05%	103.73	Discounted
FR89	6.875	15-Aug-51	27.83	98.73	6.98%	7.06%	97.77	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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