

**Exhibit 1. Daily Market Updates**

Equity	Last	%
JCI	6,714.52	-1.75%
STI	3,071.31	-0.24%
HSI	17,044.61	-0.24%
SSEC	2,988.30	+0.48%
FTSE	7,354.57	-0.81%
GDAX	14,731.05	-1.08%
DJI	32,784.30	-0.76%
S&P 500	4,137.23	-1.18%
NDX	12,595.61	-1.76%

10-yr Bond	Last	Bps
ID	7.22	+7.00
US	4.86	-9.00
UK	4.61	+7.10
JP	0.88	+1.60
CN	2.72	+0.50
MY	4.14	+1.70
TH	3.31	+1.70

Exchange Rate	Last	%
USD/IDR	15,920	+0.32%
EUR/IDR	16,776	-0.14%
GBP/IDR	19,217	-0.23%
HKD/IDR	2,036	+0.33%
SGD/IDR	11,601	+0.05%
AUD/IDR	10,044	-0.38%

Sources : Bloomberg, MNCS

**Exhibit 2. Risk Indicators**

Category	Last	%
5-yr CDS	102.08	+3.5%
VIX	20.68	+2.4%

Sources : Bloomberg, MNCS

**Research Analyst**

 Alif Ihsanario  
 alif.ihsanario@mncgroup.com

**Global Market Updates**

- Despite upbeat US 3Q23 GDP and tumbling yields, Wall Street equities continued to close in the red Thursday (Oct 27, 2023); with Nasdaq leading the loss (-1.76%), followed by S&P 500 (-1.18%) and DJI (-0.76%); as markets responded heavily to the uncertainty surrounding tech stocks while tensions escalate in the Middle East.
- Markets are pricing in a faltering economy within the coming months, overlooking yesterday's strong 4.9% QoQ US 3Q23 GDP (vs expectations of 4.5% QoQ).
- US labor market was seen to have loosen its footing; weekly initial unemployment claims rose to 210k (vs expectations of 207k), accompanied by a higher continuing claims by 63k to 1.79mn (vs the expected 1.74mn), which will be to the detriment of the economy's growth going forward
- The UST 10-yr yield retreated back by 9 bps to 4.86%, followed by the 2-yr's yield easing back to 5.02% after the 7-yr UST auction of USD38bn posted stronger demand than was expected, posting a bid/cover of 2.7, the highest since Mar-20.
- The renewed appetite for bonds are likely due to market's run to safe haven while valuations are fairly attractive, in anticipation of Middle-East escalations and downside to GDP growth in the coming quarter.
- We still view risks looming for USTs, as the increase in issuances is still set to continue while the demand side; unless the Fed pauses its balance sheet deleveraging; still looks frail.

**Domestic Market Updates**

- Indonesian benchmark series of LCY government bonds closed weaker Thursday (Oct 26, 2023), with the 10-yr benchmark series yield rebounding to 7.22% from the previous day's 7.15%.
- The move bear steepened the 2s10s curve to 30 bps, as the shorter end of the curve also saw selloffs, shifting the overall curve upwards, and deeming the front end to be attractive in valuation.
- IDR continued its depreciation against the USD (USD/IDR rose +0.3% to 15,920) and is likely to cancel out some of its loss against USD on the back UST yield's tumble yesterday.
- The domestic bond market should be set to respond positively to yesterday's reasonably strong UST auction. We continue to favor the front-end of the curve whilst holding off the longer duration until the demand-side of UST's indeed show sustainable appetite.
- On a week-to-date basis up to Oct 25, 2023, net foreign outflows persisted and have amounted to IDR6.9tn, while domestic banks have reversed their net outflow position to a net inflow totaling IDR4.5tn.

**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 7.10-7.20% for today.
- Attractive Indo GB series to be traded today : FR0040, FR0059, FR0081, FR0100.

**Exhibit 3. Benchmark LCY Government Bond Prices (Oct 26, 2023)**

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	96.95	7.13%	97.14	7.08%
FR0096	10-year	98.50	7.22%	99.00	7.15%
FR0100	10-year (2024)	96.19	7.15%	96.36	7.13%
FR0098	15-year	99.27	7.21%	99.74	7.15%
FR0097	20-year	99.14	7.21%	99.70	7.15%

Sources : Bloomberg, IBPA, MNCS

**Exhibit 4. Corporate Bond Credit Spread Matrices (Oct 26, 2023)**

Rating	0.1	1	3	5	10
AAA	31.59	43.37	46.55	54.02	82.60
AA	46.76	82.87	102.60	123.88	167.65
A	145.82	210.70	254.80	295.15	349.13
BBB	337.33	387.14	436.48	494.08	596.64

Sources : IBPA, MNCS

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

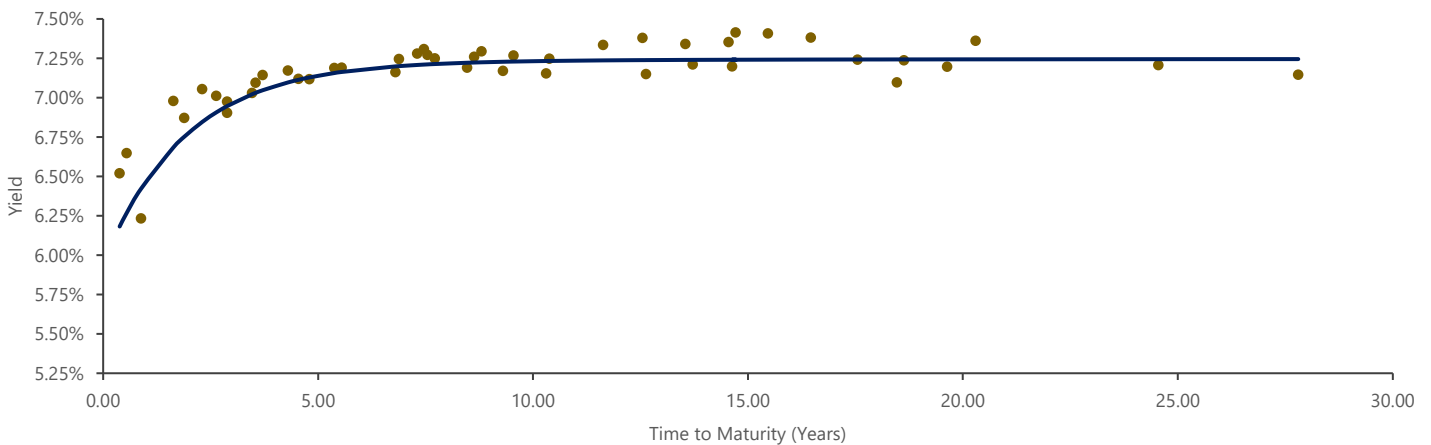
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28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

Sources : DJPPR, MNCS

**Exhibit 06. LCY Government Bond Valuation (Oct 26, 2023)**

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.39	100.66	6.52%	6.18%	100.81	Discounted
FR77	8.125	15-May-24	0.55	100.77	6.65%	6.27%	100.99	Discounted
FR44	10.000	15-Sep-24	0.89	103.15	6.23%	6.42%	103.02	Premium
FR81	6.500	15-Jun-25	1.64	99.27	6.98%	6.69%	99.71	Discounted
FR40	11.000	15-Sep-25	1.89	107.14	6.87%	6.75%	107.39	Discounted
FR84	7.250	15-Feb-26	2.31	100.40	7.05%	6.85%	100.83	Discounted
FR86	5.500	15-Jun-26	2.64	96.64	7.01%	6.91%	96.65	Discounted
FR37	12.000	15-Sep-26	2.89	113.07	6.90%	6.95%	113.00	Premium
FR56	8.375	15-Sep-26	2.89	103.58	6.97%	6.95%	103.66	Fair
FR90	5.125	15-Apr-27	3.47	94.24	7.03%	7.02%	94.24	Fair
FR59	7.000	15-May-27	3.55	99.70	7.10%	7.03%	99.90	Discounted
FR42	10.250	15-Jul-27	3.72	109.95	7.14%	7.05%	110.30	Discounted
FR47	10.000	15-Feb-28	4.31	110.27	7.17%	7.10%	110.58	Discounted
FR64	6.125	15-May-28	4.55	96.20	7.12%	7.11%	96.20	Fair
FR95	6.375	15-Aug-28	4.80	97.02	7.12%	7.13%	96.96	Fair
FR71	9.000	15-Mar-29	5.38	107.95	7.19%	7.16%	108.10	Fair
FR78	8.250	15-May-29	5.55	104.77	7.19%	7.16%	104.90	Fair
FR52	10.500	15-Aug-30	6.80	117.69	7.16%	7.20%	117.49	Premium
FR82	7.000	15-Sep-30	6.89	98.68	7.25%	7.20%	98.91	Discounted
FR87	6.500	15-Feb-31	7.31	95.63	7.28%	7.21%	96.02	Discounted
FR85	7.750	15-Apr-31	7.47	102.51	7.31%	7.21%	103.07	Discounted
FR73	8.750	15-May-31	7.55	108.47	7.27%	7.21%	108.83	Discounted
FR54	9.500	15-Jul-31	7.72	113.11	7.25%	7.21%	113.33	Fair
FR91	6.375	15-Apr-32	8.47	94.89	7.19%	7.22%	94.69	Fair
FR58	8.250	15-Jun-32	8.64	106.27	7.26%	7.22%	106.49	Fair
FR74	7.500	15-Aug-32	8.80	101.31	7.29%	7.23%	101.75	Discounted
FR96	7.000	15-Feb-33	9.31	98.85	7.17%	7.23%	98.45	Premium
FR65	6.625	15-May-33	9.55	95.63	7.27%	7.23%	95.87	Discounted
FR100	6.625	15-Feb-34	10.31	96.19	7.15%	7.23%	102.79	Premium
FR68	8.375	15-Mar-34	10.38	108.13	7.25%	7.23%	108.22	Fair
FR80	7.500	15-Jun-35	11.64	101.27	7.33%	7.24%	102.03	Discounted
FR72	8.250	15-May-36	12.55	107.04	7.38%	7.24%	108.23	Discounted
FR88	6.250	15-Jun-36	12.64	92.60	7.15%	7.24%	91.88	Premium
FR45	9.750	15-May-37	13.55	120.45	7.34%	7.24%	121.43	Discounted
FR93	6.375	15-Jul-37	13.72	92.80	7.21%	7.24%	92.53	Fair
FR75	7.500	15-May-38	14.55	101.31	7.35%	7.24%	102.29	Discounted
FR50	10.500	15-Jul-38	14.72	127.34	7.41%	7.24%	129.18	Discounted
FR98	7.125	15-Jun-38	14.64	99.33	7.20%	7.24%	98.94	Premium
FR79	8.375	15-Apr-39	15.47	108.83	7.41%	7.24%	110.43	Discounted
FR83	7.500	15-Apr-40	16.47	101.12	7.38%	7.24%	102.44	Discounted
FR57	9.500	15-May-41	17.55	122.24	7.24%	7.24%	122.21	Fair
FR62	6.375	15-Apr-42	18.47	92.63	7.10%	7.24%	91.22	Premium
FR92	7.125	15-Jun-42	18.64	98.86	7.24%	7.24%	98.78	Fair
FR97	7.125	15-Jun-43	19.64	99.26	7.20%	7.24%	98.75	Premium
FR67	8.750	15-Feb-44	20.31	114.51	7.36%	7.24%	115.86	Discounted
FR76	7.375	15-May-48	24.55	101.94	7.21%	7.25%	101.47	Premium
FR89	6.875	15-Aug-51	27.80	96.75	7.14%	7.25%	95.57	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

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