

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,886.58	-0.78%
STI	3,147.39	-1.41%
HSI	17,195.84	-0.78%
SSEC	3,110.48	CLOSED
FTSE	7,412.45	-0.77%
GDAX	15,085.21	+0.10%
DJI	33,002.38	+0.39%
S&P 500	4,263.75	+0.81%
NDX	13,236.01	+1.35%

10-yr Bond	Last	Bps
ID	7.08	+7.94
US	4.73	-8.00
UK	4.60	+3.40
JP	0.77	+4.20
CN	2.68	-1.20
MY	3.98	+8.00
TH	3.14	+8.60

Exchange Rate	Last	%
USD/IDR	15,632	+0.33%
EUR/IDR	16,397	+0.37%
GBP/IDR	18,941	+0.58%
HKD/IDR	1,997	+0.36%
SGD/IDR	11,397	+0.44%
AUD/IDR	9,887	+0.39%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	99.42	+3.9%
VIX	18.58	-6.1%

Sources : Bloomberg, MNCS

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Global Market Updates

- Major global stock indexes closed mixed Wednesday (Oct 4, 2023), with US stock indexes rebounding in response to yields' climbing spree halt after the Sep-23 labor market data showed hints of loosening.
- The 10-yr UST yield slipped 8 bps back to 4.73%, followed by the 2-yr yield plummeting by 10 bps down to 5.05%. The VIX Index initially saw a spike of 1.5% to 20.08, before subsiding back by 6.1% down to 18.58.
- The ADP employment reading for Sep-23 showed the huge disparity in the actual additions in job openings (89k) than what the market expected it to be (150k), the weakest rise since 2021.
- Asian equity indexes weakened yesterday following Tuesday's Wall Street shock, accompanied by shock sell-offs in the fixed income market.
- The Japanese 10-yr jumped 4.2bps, the biggest jump this year, most probably from the shock as well as Yen interventions by the BoJ. Asian EM markets also took a huge battering, with Malaysian and Thai 10-yr yields soaring by c. 8 bps.
- If the Fed follows along with the narrative that interest rates have begun to effectively bite into the labor market, then we might see no more hikes in Dec-23, and we might see the UST to remain below 5.00%.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds continued its downturn Wednesday (Oct 4, 2023). The 10-yr benchmark series yield jumped 7.9 bps to reach 7.08%. The 2s10s Indo GB spread up ticked to 69 bps.
- IDR weakened against most global major currencies, depreciating against the USD (USD/IDR jumped 0.33% to 15,632).
- We still expect subsided activity in the fixed income market due to investor's risk off stances, but the encouraging US labor data yesterday might give enough incentive for a turn-around in yields, as investors had been anticipating the peak. This was clearly reflected in the accumulation of SBNs in the past week by individual investors, pension and insurance funds.
- Additionally, BI has the option to intervene whenever they see fit, but they are likely to let the yields some upper leeway as to provide an attractive spread against the UST and uprising JGB.

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 7.00-7.15% for today.
- Attractive Indo GB series to be traded today : FR0082, FR0087, FR0096, FR0100.

Exhibit 3. Benchmark LCY Government Bond Prices (Oct 4, 2023)

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	98.07	6.85%	98.71	6.69%
FR0096	10-year	99.42	7.08%	99.94	7.01%
FR0098	15-year	99.98	7.24%	99.48	7.18%
FR0097	20-year	99.00	7.22%	99.58	7.16%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	29.21	43.23	58.41	69.35	80.35
AA	52.31	78.73	108.76	135.96	175.12
A	142.00	206.80	257.66	300.07	341.73
BBB	343.28	394.28	456.60	509.31	595.90

Sources : IBPA, MNCS

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

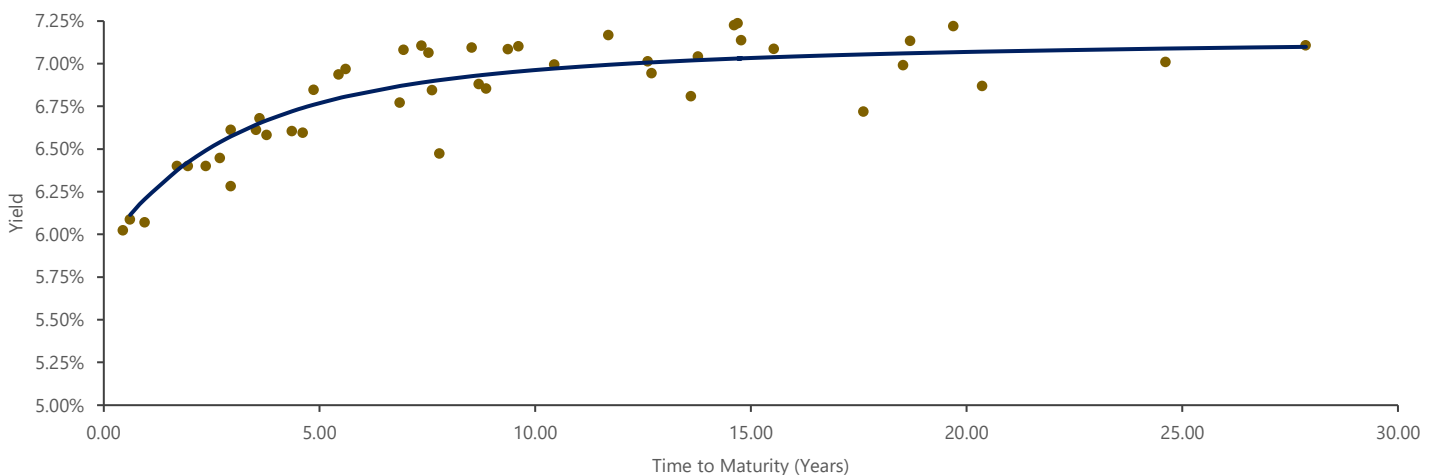
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28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

Sources : DJPPR, MNCS

Exhibit 06. LCY Government Bond Valuation (Oct 4, 2023)

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.45	101.00	6.02%	6.06%	101.00	Fair
FR77	8.125	15-May-24	0.61	101.19	6.09%	6.11%	101.18	Fair
FR44	10.000	15-Sep-24	0.95	103.54	6.07%	6.21%	103.43	Premium
FR81	6.500	15-Jun-25	1.70	100.15	6.40%	6.37%	100.19	Fair
FR40	11.000	15-Sep-25	1.95	108.27	6.40%	6.42%	108.25	Fair
FR84	7.250	15-Feb-26	2.37	101.82	6.40%	6.49%	101.62	Premium
FR86	5.500	15-Jun-26	2.70	97.83	6.45%	6.54%	97.45	Premium
FR37	12.000	15-Sep-26	2.95	115.14	6.28%	6.57%	114.32	Premium
FR56	8.375	15-Sep-26	2.95	104.64	6.61%	6.57%	104.75	Fair
FR90	5.125	15-Apr-27	3.53	95.39	6.61%	6.64%	95.29	Fair
FR59	7.000	15-May-27	3.61	101.00	6.68%	6.65%	101.09	Fair
FR42	10.250	15-Jul-27	3.78	112.06	6.58%	6.67%	111.77	Premium
FR47	10.000	15-Feb-28	4.37	112.66	6.60%	6.72%	112.21	Premium
FR64	6.125	15-May-28	4.61	98.15	6.60%	6.74%	97.58	Premium
FR95	6.375	15-Aug-28	4.86	98.07	6.85%	6.76%	98.42	Discounted
FR71	9.000	15-Mar-29	5.45	109.22	6.94%	6.80%	109.88	Discounted
FR78	8.250	15-May-29	5.61	105.86	6.97%	6.81%	106.62	Discounted
FR52	10.500	15-Aug-30	6.86	120.17	6.77%	6.87%	119.59	Premium
FR82	7.000	15-Sep-30	6.95	99.56	7.08%	6.87%	100.69	Discounted
FR87	6.500	15-Feb-31	7.37	96.57	7.10%	6.89%	97.77	Discounted
FR85	7.750	15-Apr-31	7.53	103.94	7.06%	6.90%	104.95	Discounted
FR73	8.750	15-May-31	7.61	111.14	6.85%	6.90%	110.81	Fair
FR54	9.500	15-Jul-31	7.78	118.25	6.47%	6.90%	115.41	Premium
FR91	6.375	15-Apr-32	8.53	95.45	7.09%	6.93%	96.49	Discounted
FR58	8.250	15-Jun-32	8.70	108.84	6.88%	6.93%	108.49	Fair
FR74	7.500	15-Aug-32	8.86	104.23	6.85%	6.94%	103.67	Premium
FR96	7.000	15-Feb-33	9.37	99.42	7.08%	6.95%	100.34	Discounted
FR65	6.625	15-May-33	9.61	96.71	7.10%	6.95%	97.71	Discounted
FR68	8.375	15-Mar-34	10.44	110.11	6.99%	6.97%	110.28	Fair
FR80	7.500	15-Jun-35	11.70	102.59	7.17%	6.99%	103.98	Discounted
FR72	8.250	15-May-36	12.61	110.22	7.01%	7.01%	110.29	Fair
FR88	6.250	15-Jun-36	12.70	94.20	6.94%	7.01%	93.68	Fair
FR45	9.750	15-May-37	13.61	125.82	6.81%	7.02%	123.68	Premium
FR93	6.375	15-Jul-37	13.78	94.18	7.04%	7.02%	94.34	Fair
FR75	7.500	15-May-38	14.61	102.44	7.23%	7.03%	104.24	Discounted
FR50	10.500	15-Jul-38	14.78	130.37	7.14%	7.03%	131.54	Discounted
FR98	7.125	15-Jun-38	14.70	98.98	7.24%	7.03%	100.84	Discounted
FR79	8.375	15-Apr-39	15.53	112.01	7.09%	7.04%	112.50	Fair
FR83	7.500	15-Apr-40	16.53	102.04	7.29%	7.05%	104.38	Discounted
FR57	9.500	15-May-41	17.61	128.45	6.72%	7.05%	124.43	Premium
FR62	6.375	15-Apr-42	18.53	93.66	6.99%	7.06%	92.97	Fair
FR92	7.125	15-Jun-42	18.70	99.90	7.13%	7.06%	100.64	Fair
FR97	7.125	15-Jun-43	19.70	99.00	7.22%	7.07%	100.59	Discounted
FR67	8.750	15-Feb-44	20.37	120.45	6.87%	7.07%	117.96	Premium
FR76	7.375	15-May-48	24.61	104.24	7.01%	7.09%	103.30	Premium
FR89	6.875	15-Aug-51	27.86	97.19	7.11%	7.10%	97.29	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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