

Exhibit 1. Daily Market Updates

Equity	Last	%
JCI	6,874.83	-0.17%
STI	3,155.10	+0.24%
HSI	17,213.87	+0.10%
SSEC	3,110.48	CLOSED
FTSE	7,451.54	+0.53%
GDAX	15,070.22	-0.20%
DJI	33,119.57	-0.03%
S&P 500	4,258.19	-0.13%
NDX	13,219.83	-0.12%

10-yr Bond	Last	Bps
ID	7.03	-4.76
US	4.72	-1.44
UK	4.54	-3.70
JP	0.81	+0.30
CN	2.68	CLOSED
MY	4.10	+0.10
TH	3.32	+9.50

Exchange Rate	Last	%
USD/IDR	15,615	-0.11%
EUR/IDR	16,406	+0.06%
GBP/IDR	18,934	-0.03%
HKD/IDR	1,995	-0.09%
SGD/IDR	11,383	-0.12%
AUD/IDR	9,890	+0.03%

Sources : Bloomberg, MNCS

Exhibit 2. Risk Indicators

Category	Last	%
5-yr CDS	99.99	-0.1%
VIX	18.49	-0.5%

Sources : Bloomberg, MNCS

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Global Market Updates

- Major global stock indexes closed mixed Thursday (Oct 5, 2023), with US stock indexes edging downwards as investors await clearer signs of where the economy is headed by observing today's US employment data.
- The 10-yr UST yield slipped further to 4.72%, followed by the 2-yr yield easing down by 2 bps to 5.03%. Yields' downhill run was halted after the weekly Initial and Continuing Jobless Claims reflected a persisting strength in the US labor market, coming in at 207k and 1,664k, respectively, missing the market's consensus of 210k and 1,657k.
- The market is now on stand-by whilst expecting two critical data today: 1) the Sep-23 Non Farm Payrolls which market anticipates to cool-down to 170k after rising 187k in Aug-23, and the 2) Sep-23 Unemployment Rate which by now is expected to incur damage and uptick to 3.8% from 3.7%.
- Those two data will probably be the determining factor for where yields might go from here – as Fed's Daly stated – and so if they are aligned with the expectations that companies are indeed slowing down their hiring, we might see 10-yr UST to ease down to 4.5%, with global yields to probably follow the trend.
- On the flip side, a persisting tight labor market might induce another wave of bond sell-offs, possibly towards 5.00% and a hoarding towards USD.

Domestic Market Updates

- Indonesian benchmark series of LCY government bonds rebounded Thursday (Oct 5, 2023), on the back of seemingly encouraging US economic data. The 10-yr benchmark series yield eased 4.8 bps to 7.03%. The 2s10s Indo GB spread bull flattened to 60 bps.
- IDR strengthened against most global major currencies, cancelling some of the losses against USD (USD/IDR slipped 0.11% to 15,615).
- This week leading up to Oct 4, 2023, the Indonesian gov't securities posted a week-to-date net outflow of IDR1.2tn, with continued outflows from the nonresident segment observed, amounting to IDR1.2tn. This was coupled with a subdued volume of flows in total, reflecting the investor's wait-and-see behaviour.
- Whilst on a week-on-week basis a net inflow of IDR7.53 was seen, domestic individual investors and funds seem to be betting for the turnaround to occur soon. If the labor data readings today point to a loosening, its likely yields may slide lower to the 6.8-6.9% range.

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 6.95-7.05% for today.
- Attractive Indo GB series to be traded today : FR0082, FR0087, FR0096, FR0100.

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

Series	Benchmark	Last Price	YTM	-1D Price	-1D YTM
FR0095	5-year	98.15	6.83%	98.07	6.85%
FR0096	10-year	99.92	7.03%	99.42	7.08%
FR0098	15-year	99.50	7.20%	98.98	7.24%
FR0097	20-year	99.44	7.20%	99.00	7.22%

Sources : Bloomberg, MNCS

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

Rating	0.1	1	3	5	10
AAA	29.12	41.58	56.79	69.11	81.53
AA	52.15	78.54	107.32	133.95	172.87
A	143.18	205.55	257.17	298.27	344.07
BBB	342.83	393.07	453.19	507.65	595.92

Sources : IBPA, MNCS

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

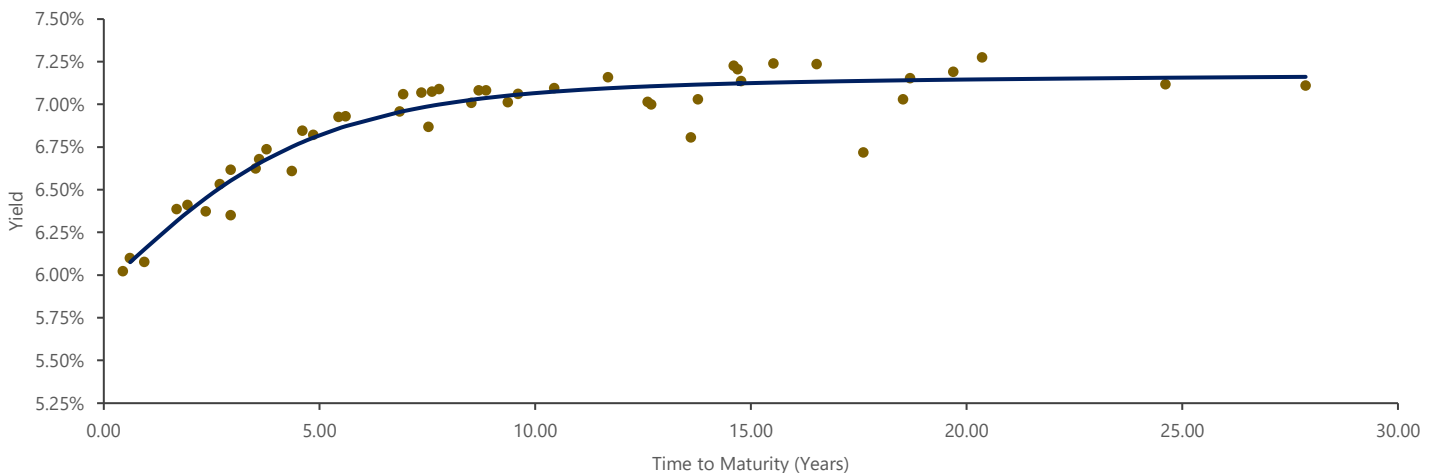
Series	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Central Bank	17.28	17.49	18.27	20.10	17.22	17.43	16.16	16.08	16.91
Banks	33.51	33.24	31.93	29.82	31.72	31.06	31.45	31.14	29.73
Foreign	15.10	14.79	14.89	14.86	15.31	15.51	15.56	15.37	14.95
MF, IF & PF	18.99	19.39	19.86	19.81	20.28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

Sources : DJPPR, MNCS

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

Series	Coupon	Maturity	TTM	Last Price	YTM	Yield Curve	Fair Price	Notes
FR70	8.375	15-Mar-24	0.44	100.98	6.02%	6.04%	101.00	Fair
FR77	8.125	15-May-24	0.61	101.16	6.10%	6.08%	101.20	Fair
FR44	10.000	15-Sep-24	0.95	103.49	6.08%	6.15%	103.47	Premium
FR81	6.500	15-Jun-25	1.69	100.17	6.39%	6.32%	100.28	Discounted
FR40	11.000	15-Sep-25	1.95	108.21	6.41%	6.37%	108.34	Fair
FR84	7.250	15-Feb-26	2.37	101.87	6.37%	6.45%	101.71	Premium
FR86	5.500	15-Jun-26	2.69	97.64	6.53%	6.51%	97.53	Fair
FR37	12.000	15-Sep-26	2.95	114.89	6.35%	6.55%	114.36	Premium
FR56	8.375	15-Sep-26	2.95	104.61	6.62%	6.55%	104.80	Discounted
FR90	5.125	15-Apr-27	3.53	95.37	6.62%	6.64%	95.29	Fair
FR59	7.000	15-May-27	3.61	101.01	6.68%	6.66%	101.08	Fair
FR42	10.250	15-Jul-27	3.78	111.49	6.74%	6.68%	111.73	Discounted
FR47	10.000	15-Feb-28	4.36	112.62	6.61%	6.75%	112.08	Premium
FR64	6.125	15-May-28	4.61	97.19	6.84%	6.78%	97.44	Discounted
FR95	6.375	15-Aug-28	4.86	98.18	6.82%	6.81%	98.23	Fair
FR71	9.000	15-Mar-29	5.44	109.25	6.93%	6.86%	109.59	Discounted
FR78	8.250	15-May-29	5.61	106.03	6.93%	6.87%	106.31	Discounted
FR52	10.500	15-Aug-30	6.86	119.03	6.96%	6.96%	119.06	Fair
FR82	7.000	15-Sep-30	6.95	99.67	7.06%	6.96%	100.21	Discounted
FR87	6.500	15-Feb-31	7.37	96.77	7.07%	6.98%	97.26	Discounted
FR85	7.750	15-Apr-31	7.53	105.11	6.87%	6.99%	104.40	Premium
FR73	8.750	15-May-31	7.61	109.71	7.07%	6.99%	110.23	Discounted
FR54	9.500	15-Jul-31	7.78	114.19	7.09%	7.00%	114.78	Discounted
FR91	6.375	15-Apr-32	8.53	95.99	7.01%	7.03%	95.87	Fair
FR58	8.250	15-Jun-32	8.69	107.46	7.08%	7.03%	107.81	Fair
FR74	7.500	15-Aug-32	8.86	102.70	7.08%	7.04%	103.00	Fair
FR96	7.000	15-Feb-33	9.37	99.90	7.01%	7.05%	99.64	Fair
FR65	6.625	15-May-33	9.61	96.99	7.06%	7.06%	97.01	Fair
FR68	8.375	15-Mar-34	10.44	109.32	7.09%	7.07%	109.48	Fair
FR80	7.500	15-Jun-35	11.69	102.66	7.16%	7.09%	103.17	Discounted
FR72	8.250	15-May-36	12.61	110.22	7.01%	7.11%	109.42	Premium
FR88	6.250	15-Jun-36	12.69	93.76	7.00%	7.11%	92.91	Premium
FR45	9.750	15-May-37	13.61	125.83	6.81%	7.11%	122.73	Premium
FR93	6.375	15-Jul-37	13.78	94.28	7.03%	7.12%	93.55	Premium
FR75	7.500	15-May-38	14.61	102.45	7.22%	7.12%	103.39	Discounted
FR50	10.500	15-Jul-38	14.78	130.38	7.14%	7.12%	130.53	Fair
FR98	7.125	15-Jun-38	14.69	99.27	7.20%	7.12%	100.01	Discounted
FR79	8.375	15-Apr-39	15.53	110.48	7.24%	7.13%	111.60	Discounted
FR83	7.500	15-Apr-40	16.53	102.53	7.24%	7.13%	103.53	Discounted
FR57	9.500	15-May-41	17.61	128.45	6.72%	7.14%	123.46	Premium
FR62	6.375	15-Apr-42	18.53	93.28	7.03%	7.14%	92.20	Premium
FR92	7.125	15-Jun-42	18.69	99.69	7.15%	7.14%	99.82	Fair
FR97	7.125	15-Jun-43	19.69	99.30	7.19%	7.14%	99.78	Fair
FR67	8.750	15-Feb-44	20.36	115.53	7.27%	7.15%	117.05	Discounted
FR76	7.375	15-May-48	24.61	102.98	7.12%	7.16%	102.51	Fair
FR89	6.875	15-Aug-51	27.86	97.17	7.11%	7.16%	96.56	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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