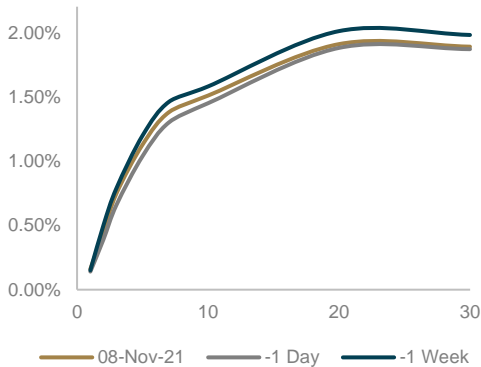


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Country	05-Nov-21	-1 Day	-1 Week
U.S	1.49%	1.45%	1.56%
U.K	0.87%	0.85%	1.06%
Germany	-0.27%	-0.28%	-0.10%
Australia	1.75%	1.81%	1.91%
Japan	0.06%	0.06%	0.10%
China	2.90%	2.89%	2.94%
Malaysia	3.52%	3.57%	3.62%
Thailand	1.93%	1.95%	1.97%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.49
Indo 5-Year CDS	bps	83.30
USD/IDR	points	14,258
BI 7DRR	%	3.50

Source : Bloomberg as of November 8, 2021

## Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst  
tirta.citradi@mncgroup.com

## Global Market Update

- The 10-year U.S. treasury yield slowly inched up 5 bps to 1.50% on Monday (11/08/21). U.S. treasury yields also hiked 2-9 bps along the curve.
- U.S. stocks market closed at gain last night with DJI grew 0.29% and Nasdaq Composite edged up 0.07%. S&P 500 stood up at 4,701.70 for the first time (+0.09%), reflecting the investors' positive response towards the approval of infrastructure bills last week.
- U.S. consumer inflation expectations in Oct-21 rose to 5.7%, higher than the previous month's forecast and consensus estimate of 5.3% and 5.4% respectively.
- Yesterday's speeches from The Fed officials conclude inflation, resulted from current supply disruptions, now became their main concern before tightening any monetary policy.
- Market participants closely watched the development of China's property developer Evergrande debt crisis. According to Reuters, some holders of offshore bonds issued by Evergrande unit business (Scenery Journey) had not received interest payments due on Nov 6.

## Domestic Market Update

- The 10-year rupiah denominated government bond yield fell 3 bps to 6.02% to start this week. This is in line with our daily forecast range of 6.00%-6.10%.
- The value of rupiah slightly appreciated against at USD to IDR 14,258/USD yesterday. Meanwhile 5-year Indo CDS rose to 83.30 bps.
- Bank Indonesia (BI) reported that Consumer Confidence Index (CCI) in Oct-21 bounced back to above 100 points.
- Consumer turned to optimistic tone as reflected in the rise of CCI from 95.5 in Sep-21 to 113.4 in Oct-21.
- On the other hand, rising energy price globally also bolstered domestic coal price. Ministry of Energy & Mineral Resources set Indonesia coal reference price (HBA) at USD215.63/ton in Nov-21. HBA increased by 33% from the previous month.
- The domestic coal price has stayed stubbornly high following the global trend on the back of : 1) rising demand in China and other markets as the northern hemisphere entering winter; 2) supply chain disruption in producing countries. We expect coal price to remain high at least until the end of 2021 before moderating next year.
- We expect Indonesia's GDP to expand more than 5% YoY in 4Q21 on the back of positive catalyst including : 1) higher mobility due to improving pandemic situation; 2) acceleration of government spending in the last quarter; 3) continued banks credit expansion as well as 4) surging commodity price that boost exports

## Market Projection

- Given the rise in U.S. treasury yields and the CDS, we expect the 10-year Indo GB to increase and traded within range of 6.00% - 6.10% today (11/09/21).
- Attractive Indo GB series to be traded today : FR0086, FR0090, FR0071, FR0078, FR0087, FR0091, FR0068, FR0088, FR0083 and FR0092.

## Exhibit 4. 10 Year Indo GB Fair Yield



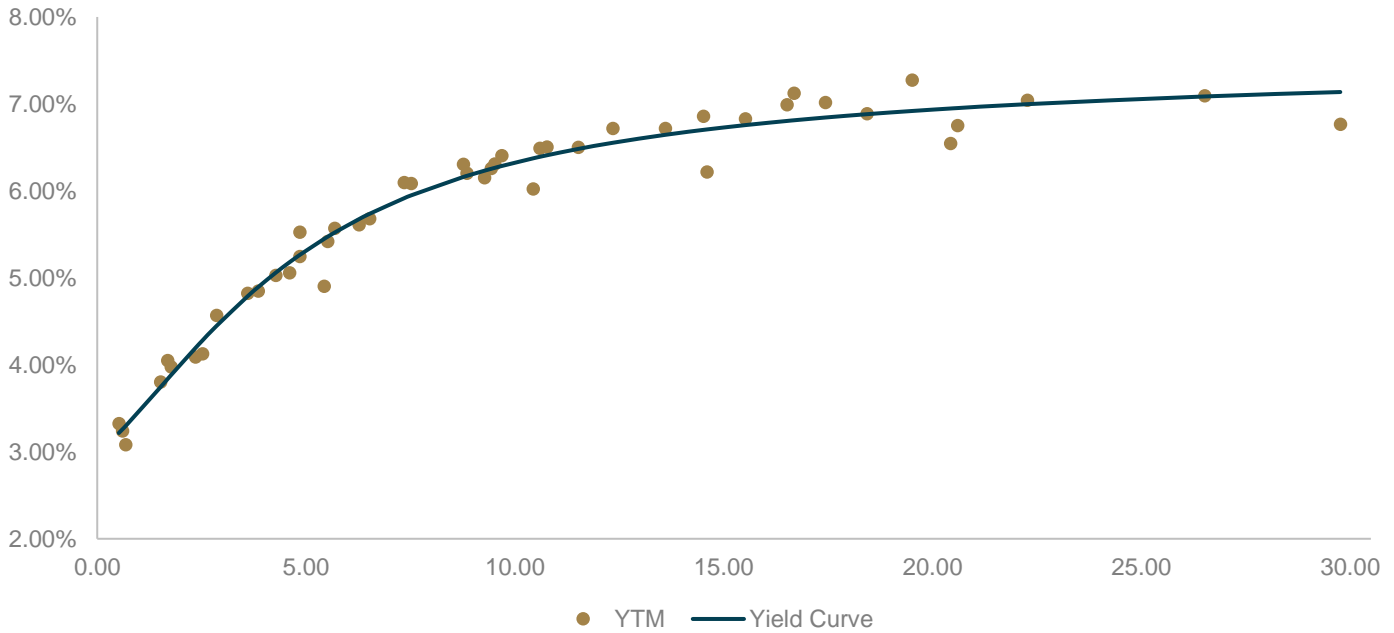
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.52	101.86	3.33%	3.22%	101.93	Fair
FR35	15-Jun-22	0.60	105.64	3.24%	3.26%	105.68	Fair
FR43	15-Jul-22	0.68	104.77	3.08%	3.30%	104.66	Premium
FR63	15-May-23	1.52	102.65	3.81%	3.75%	102.75	Fair
FR46	15-Jul-23	1.68	108.75	4.05%	3.84%	109.14	Discounted
FR39	15-Aug-23	1.77	113.10	3.98%	3.89%	113.31	Fair
FR70	15-Mar-24	2.35	109.48	4.09%	4.20%	109.25	Fair
FR77	15-May-24	2.52	109.45	4.13%	4.28%	109.08	Fair
FR44	15-Sep-24	2.85	114.32	4.57%	4.45%	114.70	Fair
FR81	15-Jun-25	3.60	105.47	4.82%	4.79%	105.58	Fair
FR40	15-Sep-25	3.85	121.33	4.85%	4.90%	121.17	Fair
FR84	15-Feb-26	4.27	108.41	5.03%	5.06%	108.30	Fair
FR86	15-Jun-26	4.60	101.73	5.06%	5.18%	101.29	Fair
FR37	15-Sep-26	4.85	127.18	5.53%	5.27%	128.47	Discounted
FR56	15-Sep-26	4.85	113.21	5.25%	5.27%	113.14	Fair
FR90	15-Apr-27	5.43	101.03	4.91%	5.45%	98.48	Premium
FR59	15-May-27	5.52	107.44	5.42%	5.47%	107.18	Fair
FR42	15-Jul-27	5.68	122.50	5.57%	5.52%	122.78	Fair
FR47	15-Feb-28	6.27	122.90	5.61%	5.68%	122.51	Fair
FR64	15-May-28	6.52	102.39	5.68%	5.74%	102.08	Fair
FR71	15-Mar-29	7.35	116.97	6.10%	5.92%	118.14	Fair
FR78	15-May-29	7.52	112.90	6.09%	5.95%	113.78	Fair
FR52	15-Aug-30	8.77	127.88	6.31%	6.16%	129.03	Fair
FR82	15-Sep-30	8.85	105.35	6.20%	6.18%	105.55	Fair
FR87	15-Feb-31	9.27	102.42	6.15%	6.23%	101.84	Fair
FR85	15-Apr-31	9.43	110.48	6.26%	6.26%	110.52	Fair
FR73	15-May-31	9.52	117.24	6.31%	6.27%	117.60	Fair
FR54	15-Jul-31	9.68	122.04	6.41%	6.29%	123.02	Fair
FR91	15-Apr-32	10.43	102.69	6.02%	6.38%	99.99	Premium
FR58	15-Jun-32	10.60	113.32	6.49%	6.39%	114.12	Fair
FR74	15-Aug-32	10.77	107.61	6.50%	6.41%	108.36	Fair
FR65	15-May-33	11.52	100.97	6.50%	6.48%	101.13	Fair
FR68	15-Mar-34	12.35	113.74	6.72%	6.56%	115.23	Fair
FR80	15-Jun-35	13.60	106.88	6.72%	6.65%	107.55	Fair
FR72	15-May-36	14.52	112.65	6.86%	6.70%	114.21	Fair
FR88	15-Jun-36	14.60	100.31	6.22%	6.71%	95.77	Premium
FR45	15-May-37	15.52	127.68	6.83%	6.76%	128.49	Fair
FR75	15-May-38	16.52	104.94	6.99%	6.81%	106.82	Fair
FR50	15-Jul-38	16.68	132.63	7.12%	6.81%	136.39	Discounted
FR79	15-Apr-39	17.43	113.53	7.02%	6.85%	115.43	Fair
FR83	15-Apr-40	18.43	106.33	6.89%	6.88%	106.37	Fair
FR57	15-May-41	19.52	123.00	7.27%	6.92%	127.39	Discounted
FR62	15-Apr-42	20.43	98.08	6.55%	6.95%	93.78	Premium
FR92	15-Jun-42	20.60	104.09	6.75%	6.95%	101.85	Premium
FR67	15-Feb-44	22.27	119.03	7.04%	7.00%	119.59	Fair
FR76	15-May-48	26.52	103.32	7.10%	7.09%	103.41	Fair
FR89	15-Aug-51	29.77	101.35	6.77%	7.14%	96.75	Premium

Source : Bloomberg, MNCS Calculation as of November 8, 2021

## Exhibit 6. Indo GB Yield Curve



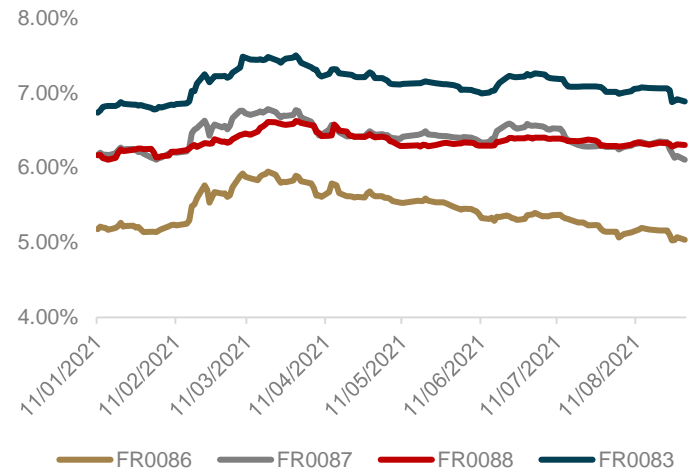
Source : Bloomberg, MNCS Calculation as of November 8, 2021

## Exhibit 7. 10 Year U.S. Treasury & Indo GB Spread



Source : Bloomberg, MNCS Calculation

## Exhibit 8. Indo GB Benchmark Series Yield



Source : Bloomberg

## Exhibit 9. Indo GB Ownership by Type of Investors (%)

Bond Holder	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Bank	37.96	37.09	37.86	36	36.33	32.5	31.92	33.45	33.69
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.08	14.78	14.87
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.18	3.20	3.28
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.59	14.45	13.34
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.53	22.44	21.56
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.64	4.46	4.94
Others	5.93	5.97	6.03	6.05	6.83	6.95	7.07	7.21	8.31

Source : DJPPR as of September 30, 2021

## 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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