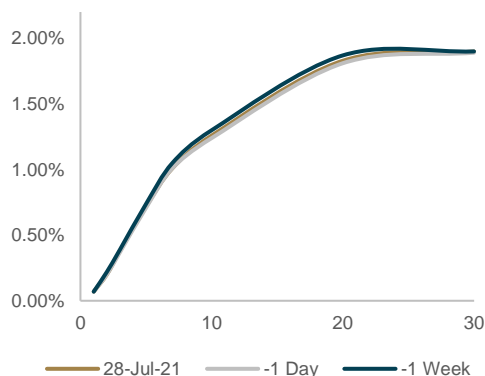


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	28-Jul-21	-1 Day	-1 Week
U.S	1.24%	1.24%	1.29%
U.K	0.57%	0.57%	0.60%
Germany	-0.45%	-0.42%	-0.40%
Australia	1.15%	1.17%	1.16%
Japan	0.01%	0.00%	0.02%
China	2.92%	2.89%	2.92%
Malaysia	3.18%	3.13%	3.11%
Thailand	1.58%	1.61%	1.63%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.24
Indo 5-Year CDS	bps	82.81
USD/IDR	points	14,488
BI 7DRR	%	3.50

Source : Bloomberg as of July 28,2021



Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst

Global Market Update

- After experiencing a choppy trading yesterday, 10 year U.S. treasury yield stayed flat at 1.24%. The Fed kept interest rate unchanged and bond buying steady at USD120bn per month.
- The Fed chair has stated that U.S. economy has made progress towards central bank's goal. However the Fed sees inflation to stay above 2% in the months ahead.
- Markets try to find some signal of the Fed potential policy normalization. With the latest statement of Chair Powell, market shows investors increasingly see interest rate hike by the end of 2022.
- U.S. stock market has muted reaction on latest the Fed policy meeting announcement. DJI and S&P 500 closed 0.36% dan 0.02% lower than the previous day, meanwhile Nasdaq Composite climbed 0.7%.

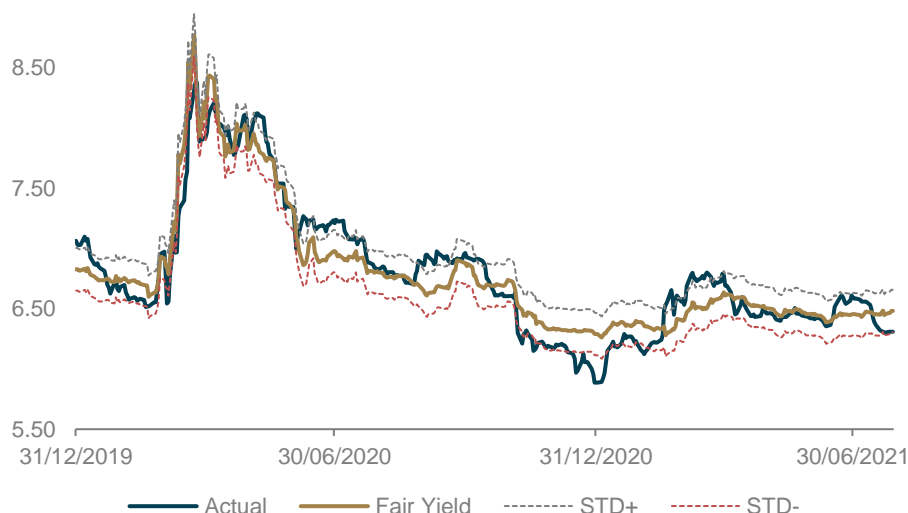
Domestic Market Update

- ICBI settled at 322.8 or added 0.05% yesterday. INDOBeX Composite Clean Price also increased by 0.03% at the same time.
- 10 Year Indo GB yield stayed flat at 6.31% or equivalent to 1bps higher than -1STD of our fair yield model.
- Rupiah climbed up against USD to 14,488/USD yesterday, while Indonesia risk premium remained at 82.8 bps at the same period. U.S.-Indo spread was 507 bps.
- IMF revised down its FY21 GDP growth projection for Indonesia to 3.9% in July-21 from previously 4.3% in April-21.

Market Projection

- We expect market to continue its consolidation pattern for today as 10 year U.S treasury yield remained at its lowest range since Feb-21.
- In our view, 10 year Indo GB yield will likely to move within range of 6.29-6.32% in July 29, 2021.
- Given the further potential of consolidation, short term trading strategy may remain applicable. We see FR0071, FR0068, FR0083 and FR0092 remained attractive.

Exhibit 4. 10 Year Indo GB Fair Yield



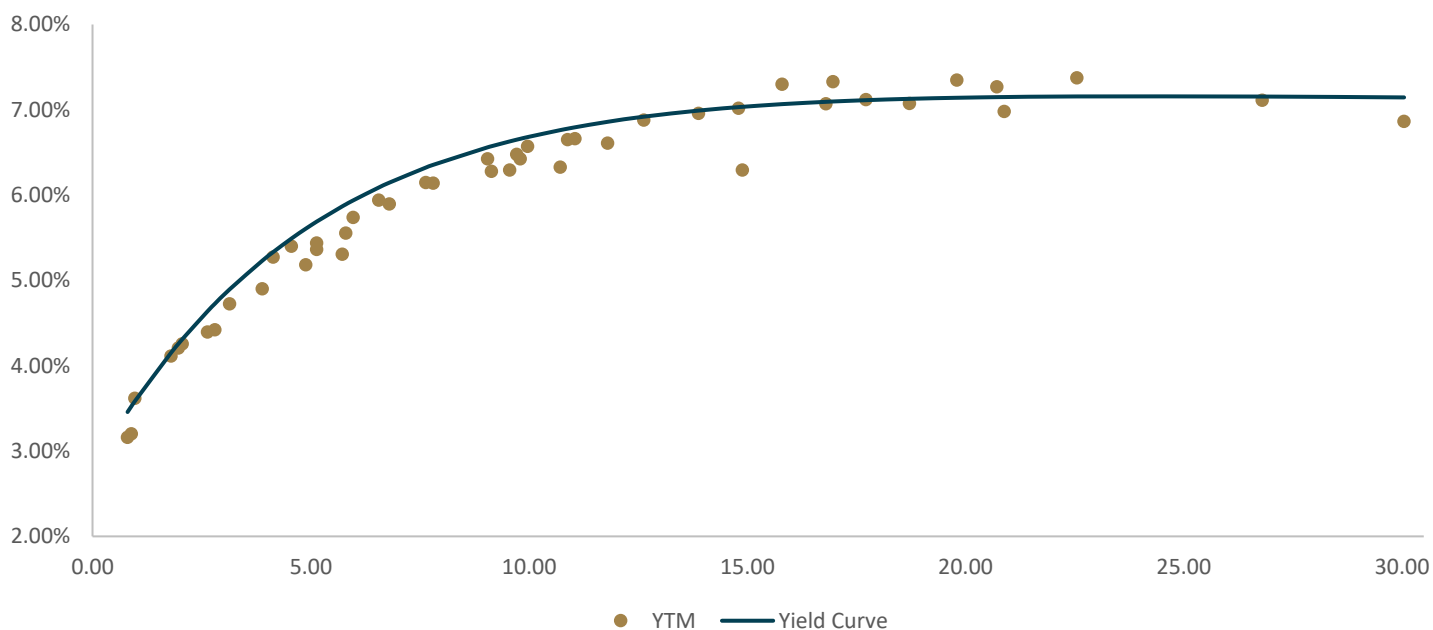
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.80	102.98	3.16%	3.46%	102.76	Premium
FR35	15-Jun-22	0.88	108.31	3.20%	3.52%	108.07	Premium
FR43	15-Jul-22	0.96	106.19	3.62%	3.58%	106.26	Fair
FR63	15-May-23	1.80	102.58	4.11%	4.15%	102.52	Fair
FR46	15-Jul-23	1.96	109.85	4.21%	4.26%	109.78	Fair
FR39	15-Aug-23	2.05	114.52	4.26%	4.31%	114.44	Fair
FR70	15-Mar-24	2.63	109.76	4.40%	4.64%	109.15	Premium
FR77	15-May-24	2.80	109.62	4.42%	4.73%	108.80	Premium
FR44	15-Sep-24	3.13	115.16	4.73%	4.89%	114.65	Fair
FR81	15-Jun-25	3.88	105.57	4.90%	5.23%	104.40	Premium
FR40	15-Sep-25	4.13	120.98	5.27%	5.33%	120.76	Fair
FR84	15-Feb-26	4.55	107.36	5.40%	5.49%	106.99	Fair
FR86	15-Jun-26	4.88	101.30	5.18%	5.61%	99.54	Premium
FR37	15-Sep-26	5.13	129.00	5.44%	5.69%	127.73	Premium
FR56	15-Sep-26	5.13	113.35	5.36%	5.69%	111.79	Premium
FR90	15-Apr-27	5.72	99.11	5.31%	5.87%	96.42	Premium
FR59	15-May-27	5.80	107.06	5.56%	5.89%	105.37	Premium
FR42	15-Jul-27	5.96	122.50	5.74%	5.94%	121.39	Premium
FR47	15-Feb-28	6.55	121.75	5.94%	6.09%	120.86	Fair
FR64	15-May-28	6.80	101.26	5.90%	6.15%	99.87	Premium
FR71	15-Mar-29	7.63	117.17	6.15%	6.32%	115.99	Fair
FR78	15-May-29	7.80	112.90	6.14%	6.36%	111.49	Premium
FR52	15-Aug-30	9.05	127.62	6.43%	6.56%	126.55	Fair
FR82	15-Sep-30	9.13	104.93	6.28%	6.57%	102.88	Premium
FR87	15-Feb-31	9.55	101.47	6.29%	6.63%	99.08	Premium
FR85	15-Apr-31	9.72	109.07	6.48%	6.65%	107.76	Fair
FR73	15-May-31	9.80	116.69	6.43%	6.66%	114.84	Premium
FR54	15-Jul-31	9.96	121.15	6.57%	6.68%	120.26	Fair
FR91	15-Apr-32	10.72	100.35	6.33%	6.76%	97.06	Premium
FR58	15-Jun-32	10.88	112.25	6.65%	6.78%	111.17	Fair
FR74	15-Aug-32	11.05	106.47	6.66%	6.80%	105.40	Fair
FR65	15-May-33	11.80	100.11	6.61%	6.86%	98.10	Premium
FR68	15-Mar-34	12.63	112.48	6.88%	6.92%	112.10	Fair
FR80	15-Jun-35	13.88	104.76	6.96%	6.99%	104.45	Fair
FR72	15-May-36	14.80	111.21	7.02%	7.03%	111.07	Fair
FR88	15-Jun-36	14.88	99.59	6.29%	7.04%	92.81	Premium
FR45	15-May-37	15.80	122.75	7.30%	7.07%	125.26	Discounted
FR75	15-May-38	16.80	104.17	7.07%	7.10%	103.92	Fair
FR50	15-Jul-38	16.97	130.50	7.33%	7.10%	133.23	Discounted
FR79	15-Apr-39	17.72	112.51	7.12%	7.11%	112.57	Fair
FR83	15-Apr-40	18.72	104.36	7.07%	7.13%	103.77	Fair
FR57	15-May-41	19.80	122.25	7.35%	7.14%	124.76	Discounted
FR62	15-Apr-42	20.72	90.50	7.27%	7.15%	91.68	Fair
FR92	15-Jun-42	20.88	101.55	6.98%	7.15%	99.71	Fair
FR67	15-Feb-44	22.55	115.00	7.37%	7.16%	117.68	Discounted
FR76	15-May-48	26.80	103.14	7.11%	7.16%	102.57	Fair
FR89	15-Aug-51	30.05	100.12	6.86%	7.15%	96.65	Premium

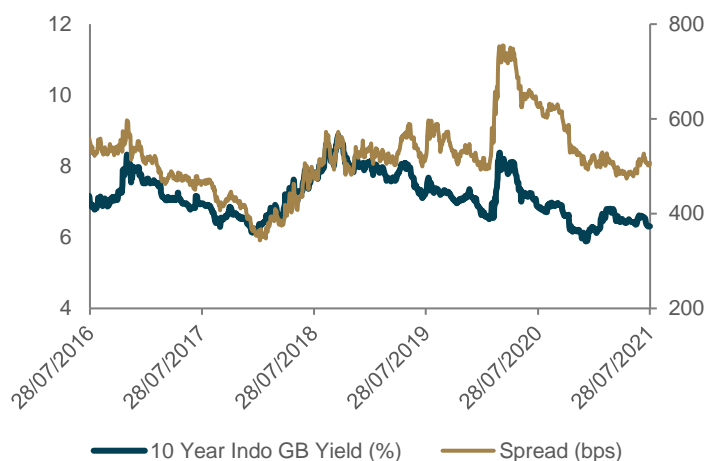
Source : Bloomberg, MNCS Calculation as of July 28, 2021

Exhibit 6. Indo GB Yield Curve



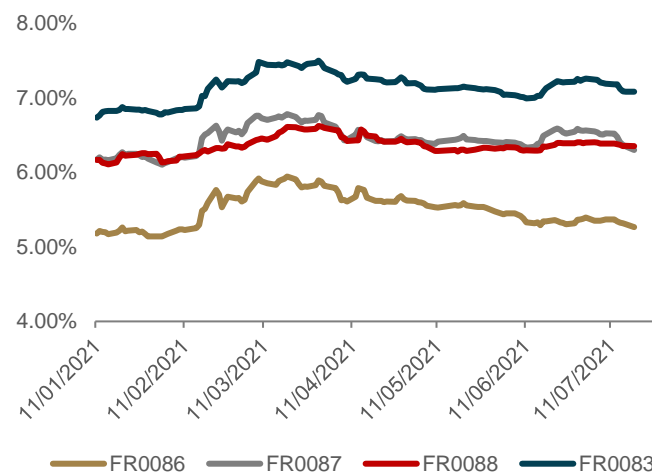
Source : Bloomberg, MNCS Calculation as of July 28, 2021

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
Bank	37.96	37.09	37.86	36	36.33	32.5	31.07
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.96
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.12
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.49
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.74
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.65
Others	5.93	5.97	6.03	6.05	6.83	6.95	6.98

Source : DJPPR as of July 21, 2021

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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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