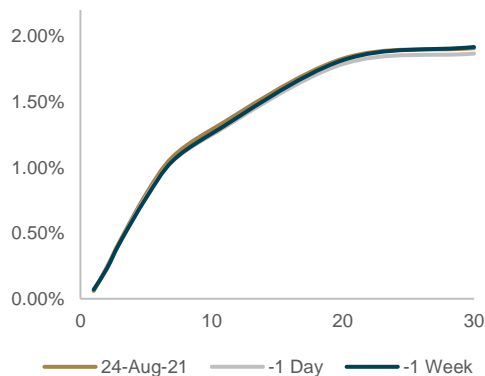


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	24-Aug-21	-1 Day	-1 Week
U.S	1.29%	1.25%	1.26%
U.K	0.53%	0.54%	0.56%
Germany	-0.48%	-0.48%	-0.47%
Australia	1.15%	1.10%	1.14%
Japan	0.02%	0.02%	0.02%
China	2.86%	2.87%	2.88%
Malaysia	3.23%	3.23%	3.22%
Thailand	1.56%	1.52%	1.51%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.29
Indo 5-Year CDS	bps	73.03
USD/IDR	points	14,393
BI 7DRR	%	3.50

Source : Bloomberg as of August 24, 2021



Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst

Global Market Update

- The U.S. FDA approval on Pfizer-BioNTech Covid-19 vaccines causing the 10 year U.S. treasury yield to move higher on Tuesday (08/23/2021).
- The government benchmark yield was up nearly 4 bps from previous trading session to 1.295% yesterday. The U.S. treasury yield moved 1-4 bps higher along the curve.
- The U.S. new home sales in July-21 recorded at 0.71 mn units or 1% higher than previous month.
- Market participants keep an eye on the Fed guidance on asset purchases tapering in the Jackson Hole Symposium that due on Thursday this week.
- On the other hand, U.S. equity market indices were up last night with DJI added 0.09% meanwhile for S&P 500 and Nasdaq Composite Index closed at 0.15% and 0.52% higher.

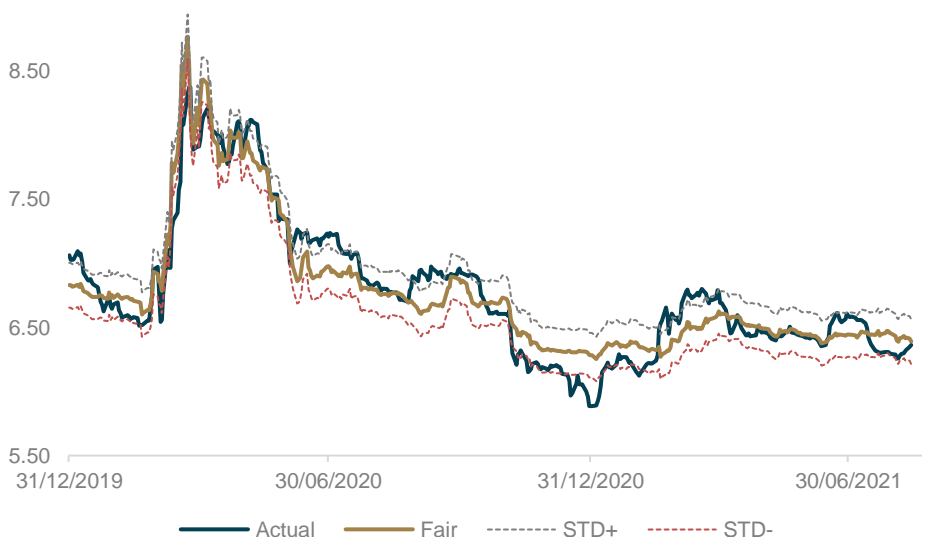
Domestic Market Update

- Government has decided to loosen the social restriction measures in some regions in Indonesia, particularly in Greater Jakarta Area.
- The 10 year Indo GB yield closed at 6.27% or 9 bps higher than the previous day and below our expectation.
- Government has conducted auction for Sovereign Sharia Securities on Tuesday August 24, 2021 with the total awarded amount of IDR9tn.
- The awarded value was IDR1tn lower than indicative targets. However we see that the appetite remained high despite there is a signal from the Fed to taper asset purchases by the end of 2021 or early 2022. This can be seen from the incoming bids of IDR52.5tn or IDR0.81tn higher than the previous auction.

Market Projection

- The spike in the U.S. treasury would be a negative catalyst for domestic Indo GB yield.
- However we see this only occurred temporary and we expect the 10 year Indo GB would likely to move within range of 6.30%-6.35%.
- Some of government securities such as FR0082, FR0071, FR0078, FR0082, FR0087, FR0068, FR0083 and FR0092 still attractive to be traded.

Exhibit 4. 10 Year Indo GB Fair Yield



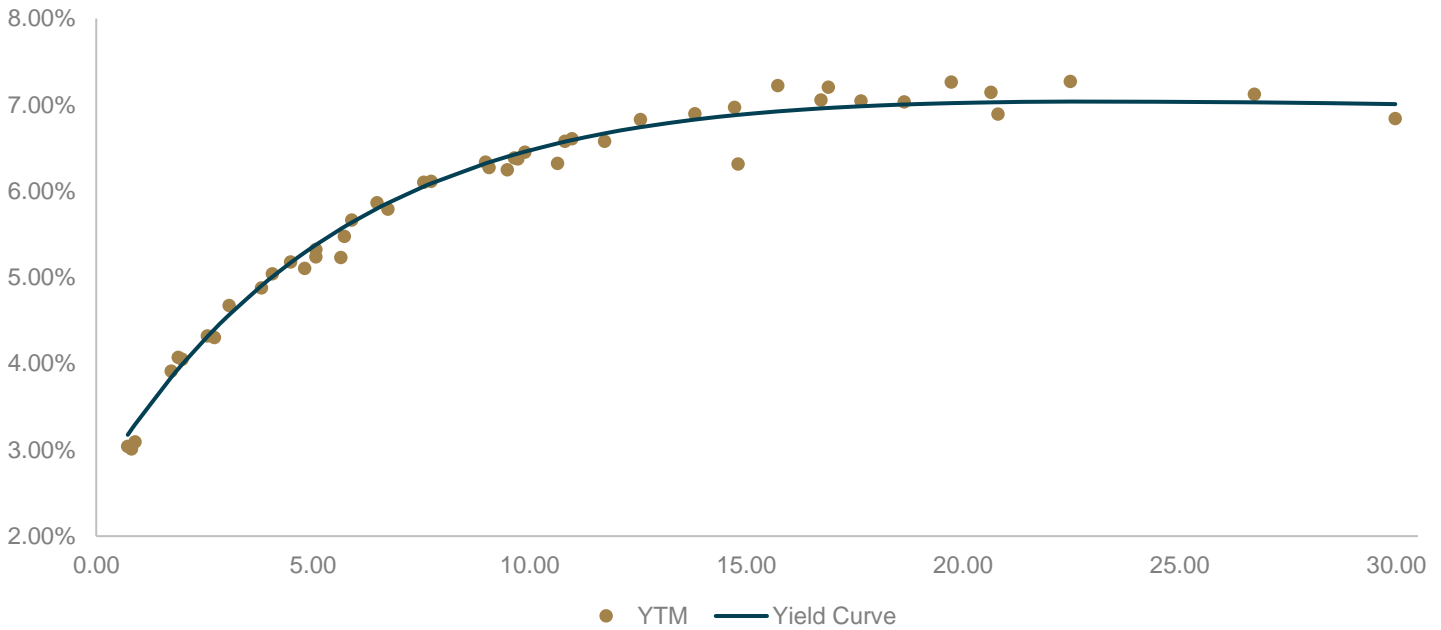
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.72	102.79	3.04%	3.17%	102.76	Fair
FR35	15-Jun-22	0.81	107.78	3.01%	3.23%	107.75	Premium
FR43	15-Jul-22	0.89	106.20	3.09%	3.29%	106.13	Premium
FR63	15-May-23	1.72	102.82	3.91%	3.84%	102.97	Fair
FR46	15-Jul-23	1.89	109.75	4.07%	3.94%	110.09	Fair
FR39	15-Aug-23	1.98	114.44	4.05%	3.99%	114.68	Fair
FR70	15-Mar-24	2.56	109.70	4.32%	4.31%	109.79	Fair
FR77	15-May-24	2.72	109.71	4.30%	4.40%	109.50	Fair
FR44	15-Sep-24	3.06	115.00	4.67%	4.56%	115.41	Fair
FR81	15-Jun-25	3.81	105.57	4.87%	4.90%	105.50	Fair
FR40	15-Sep-25	4.06	121.60	5.04%	5.01%	121.82	Fair
FR84	15-Feb-26	4.48	108.18	5.18%	5.17%	108.24	Fair
FR86	15-Jun-26	4.81	101.62	5.10%	5.29%	100.88	Premium
FR37	15-Sep-26	5.06	129.25	5.32%	5.38%	129.05	Fair
FR56	15-Sep-26	5.06	113.78	5.24%	5.38%	113.15	Fair
FR90	15-Apr-27	5.64	99.50	5.23%	5.56%	97.90	Premium
FR59	15-May-27	5.72	107.39	5.48%	5.59%	106.84	Fair
FR42	15-Jul-27	5.89	122.69	5.66%	5.64%	122.88	Fair
FR47	15-Feb-28	6.48	122.00	5.86%	5.80%	122.45	Fair
FR64	15-May-28	6.72	101.84	5.79%	5.86%	101.44	Fair
FR71	15-Mar-29	7.56	117.34	6.10%	6.05%	117.68	Fair
FR78	15-May-29	7.72	112.99	6.11%	6.09%	113.16	Fair
FR52	15-Aug-30	8.98	128.18	6.33%	6.32%	128.32	Fair
FR82	15-Sep-30	9.06	104.96	6.27%	6.33%	104.53	Fair
FR87	15-Feb-31	9.48	101.81	6.24%	6.40%	100.71	Fair
FR85	15-Apr-31	9.64	109.73	6.38%	6.42%	109.43	Fair
FR73	15-May-31	9.72	117.01	6.37%	6.43%	116.54	Fair
FR54	15-Jul-31	9.89	122.03	6.45%	6.46%	121.99	Fair
FR91	15-Apr-32	10.64	100.43	6.32%	6.55%	98.63	Premium
FR58	15-Jun-32	10.81	112.79	6.58%	6.57%	112.82	Fair
FR74	15-Aug-32	10.98	106.90	6.61%	6.59%	107.02	Fair
FR65	15-May-33	11.72	100.40	6.57%	6.67%	99.63	Fair
FR68	15-Mar-34	12.56	112.89	6.83%	6.74%	113.69	Fair
FR80	15-Jun-35	13.81	105.31	6.90%	6.83%	105.92	Fair
FR72	15-May-36	14.72	111.66	6.97%	6.88%	112.54	Fair
FR88	15-Jun-36	14.81	99.38	6.31%	6.88%	94.15	Premium
FR45	15-May-37	15.72	123.50	7.22%	6.92%	126.80	Discounted
FR75	15-May-38	16.72	104.31	7.05%	6.96%	105.28	Fair
FR50	15-Jul-38	16.89	131.90	7.20%	6.96%	134.79	Discounted
FR79	15-Apr-39	17.64	113.31	7.04%	6.98%	113.97	Fair
FR83	15-Apr-40	18.64	104.79	7.03%	7.00%	105.10	Fair
FR57	15-May-41	19.72	123.25	7.26%	7.02%	126.25	Discounted
FR62	15-Apr-42	20.64	91.75	7.14%	7.03%	92.91	Fair
FR92	15-Jun-42	20.81	102.57	6.89%	7.03%	101.00	Fair
FR67	15-Feb-44	22.48	116.25	7.27%	7.04%	119.18	Discounted
FR76	15-May-48	26.72	103.01	7.12%	7.03%	104.12	Fair
FR89	15-Aug-51	29.98	100.45	6.84%	7.01%	98.33	Premium

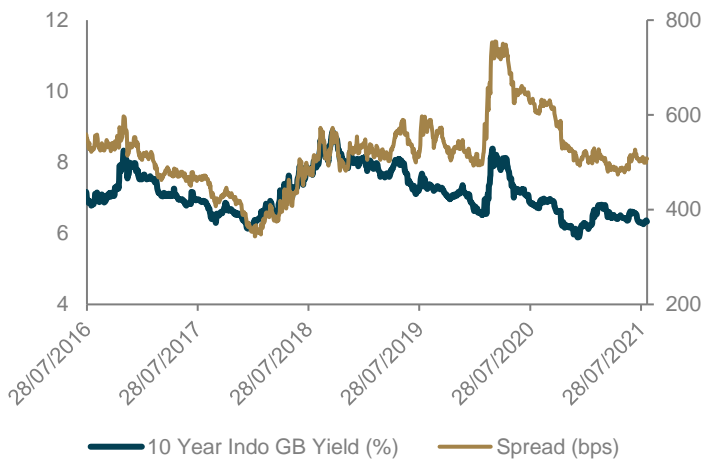
Source : Bloomberg, MNCS Calculation as of August 24, 2021

Exhibit 6. Indo GB Yield Curve



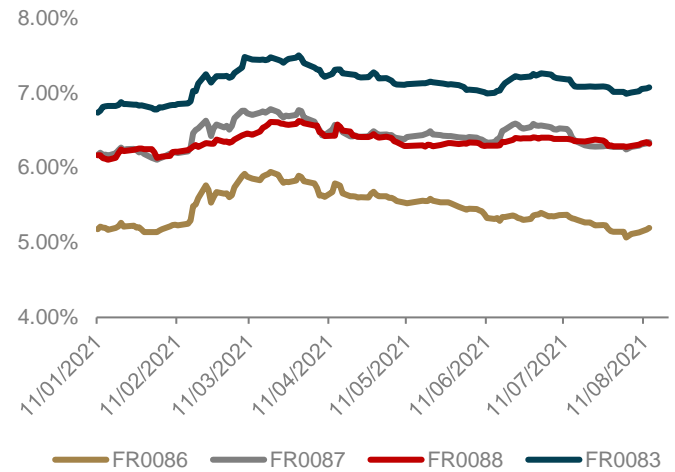
Source : Bloomberg, MNCS Calculation as of August 24, 2021

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
Bank	37.96	37.09	37.86	36.00	36.33	32.50	31.92	34.85
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.08	13.17
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.18	3.17
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.59	14.59
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.53	22.55
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.64	4.60
Others	5.93	5.97	6.03	6.05	6.83	6.95	7.07	7.07

Source : DJPPR as of August 19, 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

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