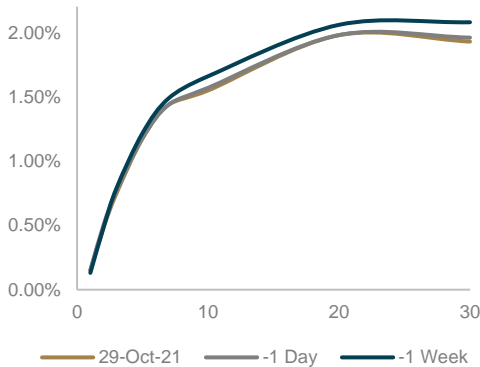


## Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

## Exhibit 2. Global Gov't Bond Yield

Country	01-Nov-21	-1 Day	-1 Week
U.S	1.56%	1.56%	1.63%
U.K	1.07%	1.04%	1.14%
Germany	-0.10%	-0.11%	-0.11%
Australia	1.91%	2.09%	1.79%
Japan	0.10%	0.10%	0.11%
China	2.94%	2.97%	2.99%
Malaysia	3.62%	3.59%	3.61%
Thailand	1.97%	1.92%	2.03%

Source : Bloomberg

## Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.56
Indo 5-Year CDS	bps	81.94
USD/IDR	points	14,248
BI 7DRR	%	3.50

Source : Bloomberg as of November 1, 2021

## Tirta Widi Gilang Citradi

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

## Devina Putri Elvareta

MNC Sekuritas Research  
research.mncs@mncgroup.com

## Global Market Update

- The 10-year U.S. treasury yield remained at 1.56% on Monday (01/11/21). Meanwhile, U.S. treasury yields rose by 2-5 bps along the curve ahead of the Fed policy meeting.
- The Federal Reserve will hold its two-days meeting on Tuesday and Wednesday, where tapering program in monthly bond purchases of USD120bn becomes the main agenda to discuss. An interest rate hike is further expected following the upcoming meeting.
- U.S. stocks market closed at gain last night, led by Nasdaq Composite's rise of 0.63% and followed by DJI and S&P 500's that jumped 0.26% and 0.18% respectively.
- U.S. ISM Manufacturing PMI slipped 0.3 point to a level of 60.8 in Oct-21 from 61.1 in Sep-21. Supply disruptions and inflation highlighted as factors behind a slower production pace.
- U.S. construction spending in Sep-21 plunged to a level of -0.5% to a seasonally adjusted annual rate of USD1.57tn. This figure is below both consensus and revised August's rate at 0.3% and 0.1% respectively.
- Global manufacturing activity remained solid in Oct-21 as reflected on PMI data. Manufacturing activities in Australia, Japan, China, India, Russia and Canada rose last month. The figures were above previous month and consensus estimate.

## Domestic Market Update

- The 10-year rupiah denominated government bond yield inched up to 6.08%. This is in line with our daily forecast range of 6.00%-6.10%.
- The value of rupiah depreciated against USD to IDR 14,248/USD on Monday (11/01/21). Meanwhile 5-year Indo CDS stayed at 81.94 bps.
- Indonesia's CPI was recorded at 106.66 or increasing by +0.12% MoM/+1.66% YoY in Oct-21. The inflation number was above our projection and consensus estimate at +1.61% YoY/+1.64% YoY.
- The major driver of October inflation was rising price of airlines transportation ticket.
- We observed that inflation started to pick up in 2H21. We expect this trend to continue until the end of 2021. However we see that inflationary pressure will remain benign and manageable.

## Market Projection

- Government will conduct an auction of Sovereign Sharia Securities (SBSN) for 5 series with the indicative target set at IDR4tn on Tuesday (11/02/21). The indicative target was lower than previous auction at IDR5tn.
- With lower issuance target, remain high investors appetite and no significant external pressure we believe that government will successfully raised funding through today's auction.
- We expect the 10 year Indo GB yield to move sideways within range of 6.00% - 6.10% on Tuesday (11/02/21).
- Attractive Indo GB series to be traded today : FR0086, FR0090, FR0071, FR0078, FR0087, FR0091, FR0068, FR0083 and FR0092.

## Exhibit 4. 10 Year Indo GB Fair Yield



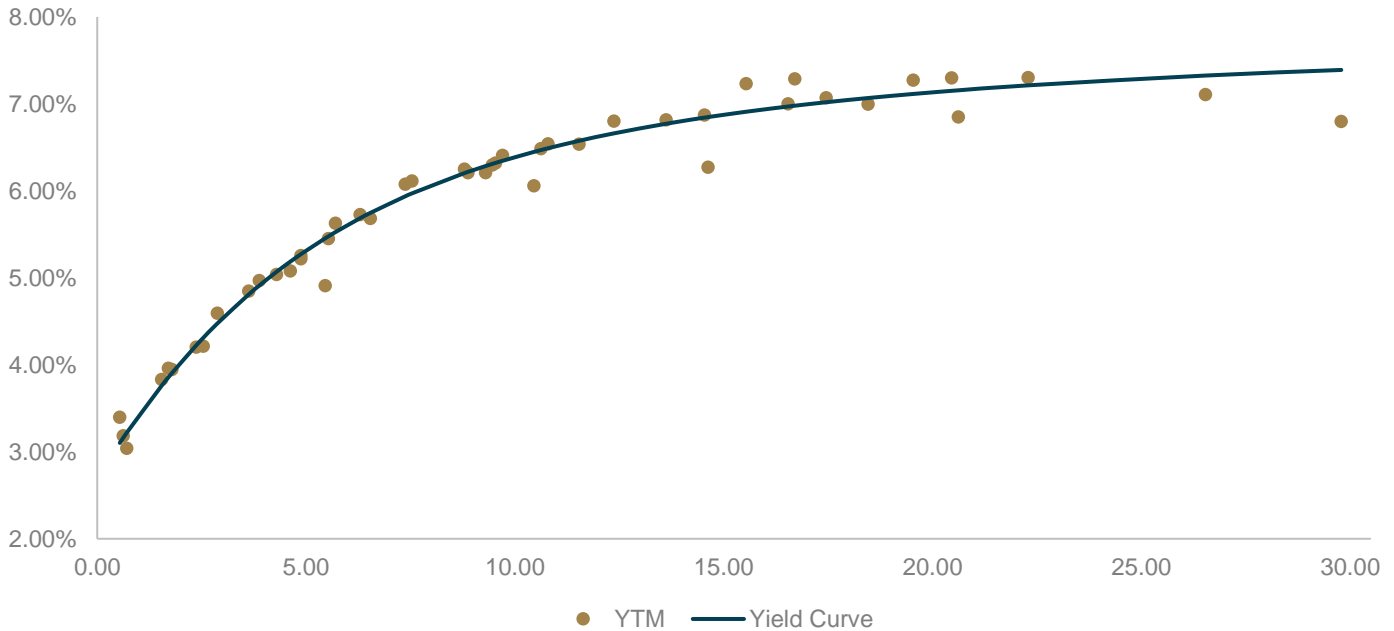
Source : Bloomberg, MNCS Calculation

## Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.53	101.88	3.40%	3.10%	102.06	Discounted
FR35	15-Jun-22	0.62	105.86	3.19%	3.16%	105.93	Fair
FR43	15-Jul-22	0.70	104.94	3.04%	3.22%	104.84	Fair
FR63	15-May-23	1.53	102.64	3.83%	3.76%	102.76	Fair
FR46	15-Jul-23	1.70	109.00	3.96%	3.86%	109.21	Fair
FR39	15-Aug-23	1.79	113.28	3.95%	3.91%	113.41	Fair
FR70	15-Mar-24	2.37	109.29	4.20%	4.23%	109.26	Fair
FR77	15-May-24	2.54	109.29	4.22%	4.31%	109.07	Fair
FR44	15-Sep-24	2.87	114.32	4.60%	4.48%	114.71	Fair
FR81	15-Jun-25	3.62	105.39	4.85%	4.81%	105.55	Fair
FR40	15-Sep-25	3.87	120.94	4.97%	4.91%	121.22	Fair
FR84	15-Feb-26	4.29	108.43	5.04%	5.07%	108.30	Fair
FR86	15-Jun-26	4.62	101.65	5.08%	5.19%	101.26	Fair
FR37	15-Sep-26	4.87	128.40	5.26%	5.27%	128.55	Fair
FR56	15-Sep-26	4.87	113.40	5.22%	5.27%	113.16	Fair
FR90	15-Apr-27	5.45	101.00	4.91%	5.45%	98.46	Premium
FR59	15-May-27	5.53	107.33	5.45%	5.48%	107.18	Fair
FR42	15-Jul-27	5.70	122.25	5.63%	5.53%	122.82	Fair
FR47	15-Feb-28	6.29	122.25	5.73%	5.69%	122.53	Fair
FR64	15-May-28	6.54	102.41	5.68%	5.75%	102.03	Fair
FR71	15-Mar-29	7.37	117.12	6.08%	5.94%	118.06	Fair
FR78	15-May-29	7.54	112.71	6.12%	5.97%	113.66	Fair
FR52	15-Aug-30	8.79	128.35	6.25%	6.20%	128.75	Fair
FR82	15-Sep-30	8.87	105.28	6.21%	6.22%	105.26	Fair
FR87	15-Feb-31	9.29	102.02	6.21%	6.29%	101.48	Fair
FR85	15-Apr-31	9.45	110.23	6.30%	6.31%	110.13	Fair
FR73	15-May-31	9.53	117.22	6.32%	6.32%	117.19	Fair
FR54	15-Jul-31	9.70	122.05	6.41%	6.35%	122.57	Fair
FR91	15-Apr-32	10.45	102.38	6.06%	6.45%	99.45	Premium
FR58	15-Jun-32	10.62	113.36	6.49%	6.47%	113.52	Fair
FR74	15-Aug-32	10.79	107.36	6.54%	6.49%	107.74	Fair
FR65	15-May-33	11.54	100.69	6.54%	6.58%	100.39	Fair
FR68	15-Mar-34	12.37	113.00	6.80%	6.66%	114.28	Fair
FR80	15-Jun-35	13.62	105.93	6.82%	6.77%	106.40	Fair
FR72	15-May-36	14.54	112.54	6.87%	6.84%	112.83	Fair
FR88	15-Jun-36	14.62	99.80	6.27%	6.85%	94.52	Premium
FR45	15-May-37	15.54	123.25	7.23%	6.91%	126.79	Discounted
FR75	15-May-38	16.54	104.81	7.00%	6.97%	105.15	Fair
FR50	15-Jul-38	16.70	130.75	7.29%	6.98%	134.38	Discounted
FR79	15-Apr-39	17.45	112.97	7.07%	7.02%	113.51	Fair
FR83	15-Apr-40	18.45	105.12	7.00%	7.07%	104.41	Fair
FR57	15-May-41	19.54	122.98	7.28%	7.11%	124.97	Fair
FR62	15-Apr-42	20.45	90.25	7.30%	7.15%	91.73	Fair
FR92	15-Jun-42	20.62	103.01	6.85%	7.16%	99.65	Premium
FR67	15-Feb-44	22.29	115.75	7.31%	7.21%	116.89	Fair
FR76	15-May-48	26.54	103.17	7.11%	7.33%	100.57	Premium
FR89	15-Aug-51	29.79	100.93	6.80%	7.39%	93.81	Premium

Source : Bloomberg, MNCS Calculation as of November 1, 2021

## Exhibit 6. Indo GB Yield Curve



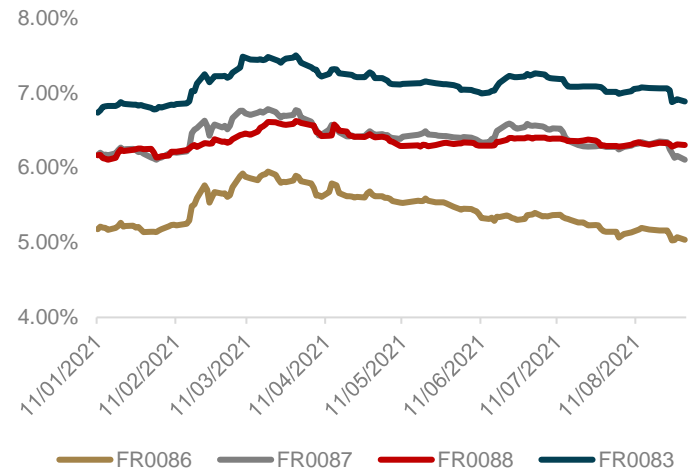
Source : Bloomberg, MNCS Calculation as of November 1, 2021

## 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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