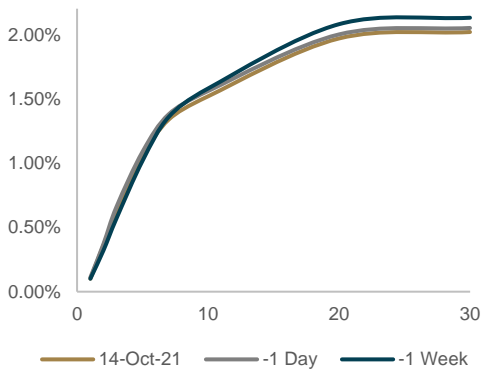


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	14-Oct-21	-1 Day	-1 Week
U.S	1.53%	1.54%	1.57%
U.K	1.08%	1.09%	1.08%
Germany	-0.15%	-0.13%	-0.19%
Australia	1.63%	1.69%	1.59%
Japan	0.08%	0.09%	0.07%
China	2.96%	2.96%	2.88%
Malaysia	3.55%	3.61%	3.60%
Thailand	1.99%	1.97%	1.88%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.53
Indo 5-Year CDS	bps	92.64
USD/IDR	points	14,118
BI 7DRR	%	3.50

Source : Bloomberg as of October 14, 2021



Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst

Global Market Update

- The 10-year U.S. treasury yield slightly lowered to 1.53% on Thursday (10/15/21). However the shorter term of U.S. treasury yields have risen while the long-end tend to decline
- Overall yields on U.S. government bond have declined from a week ago despite the Fed hawkish stance on monetary policy normalization to roll back the emergency induced stimulus.
- U.S. central bank said that economy has made a substantial progress on inflation and job market so that it's time to start reducing the pace of asset purchase.
- U.S. core inflation rose 4.0% YoY as market has expected. However headline CPI rates was 10 bps higher than consensus estimate.
- In September-21, U.S. inflation rate came to rise 5.4% YoY or increasing 0.4% on a monthly basis.
- U.S. producer price index rose slightly lower than market expectation for September-21 readings. PPI came to increase by only 0.5% on monthly basis compared to 0.6% market consensus.
- U.S. stock market continued to strengthened. All the 3 indexes gained more than 1.5% last night powered by better than expected earnings.
- In U.K and EU countries yield started to normalize following U.S. treasury yields.

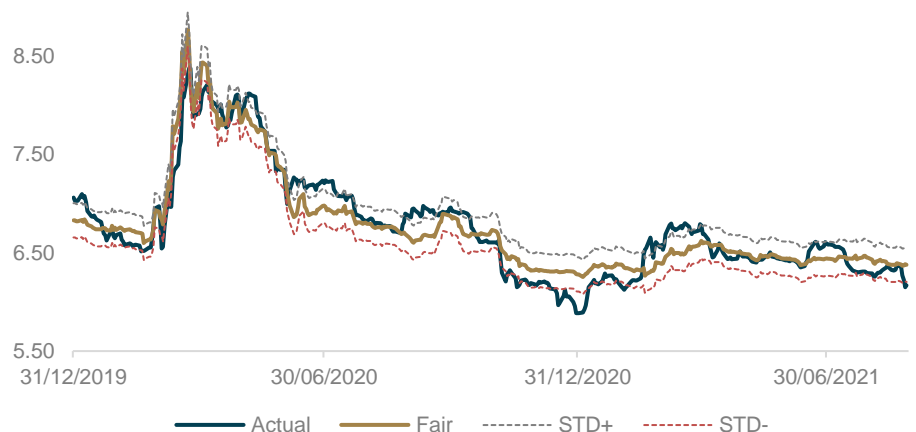
Domestic Market Update

- The 10-year Indo GB slipped 4 bps to 6.16% on Thursday (10/14/21). The benchmark yield was still in our forecast range of 6.15%-6.25%.
- The decline in the benchmark local currency government bond yield was in line with lower U.S. treasury yield and also supported by rupiah appreciation.
- Yesterday, rupiah appreciated against USD and came in to below IDR 14.200/USD ahead of September-21 international trade data release that due on Friday (10/15/21).
- At the same time, Indo 5-year CDS also dipped to 92.64 bps. In line with rising government bond price and rupiah, Indonesia stock market also appreciated more than 1% yesterday.

Market Projection.

- We projected Indonesia international trade balance to record another round of surplus with exports to jump 47.49% YoY while imports to increase 45.95% YoY causing a positive balance of USD3.70bn.
- We expect the 10 year Indo GB yield to decline and tend to move within range of 6.10% - 6.20% today.
- Attractive Indo GB series to be traded today : FR0086, FR0090, FR0071, FR0078, FR0087, FR0091, FR0088 and FR0092.

Exhibit 4. 10 Year Indo GB Fair Yield



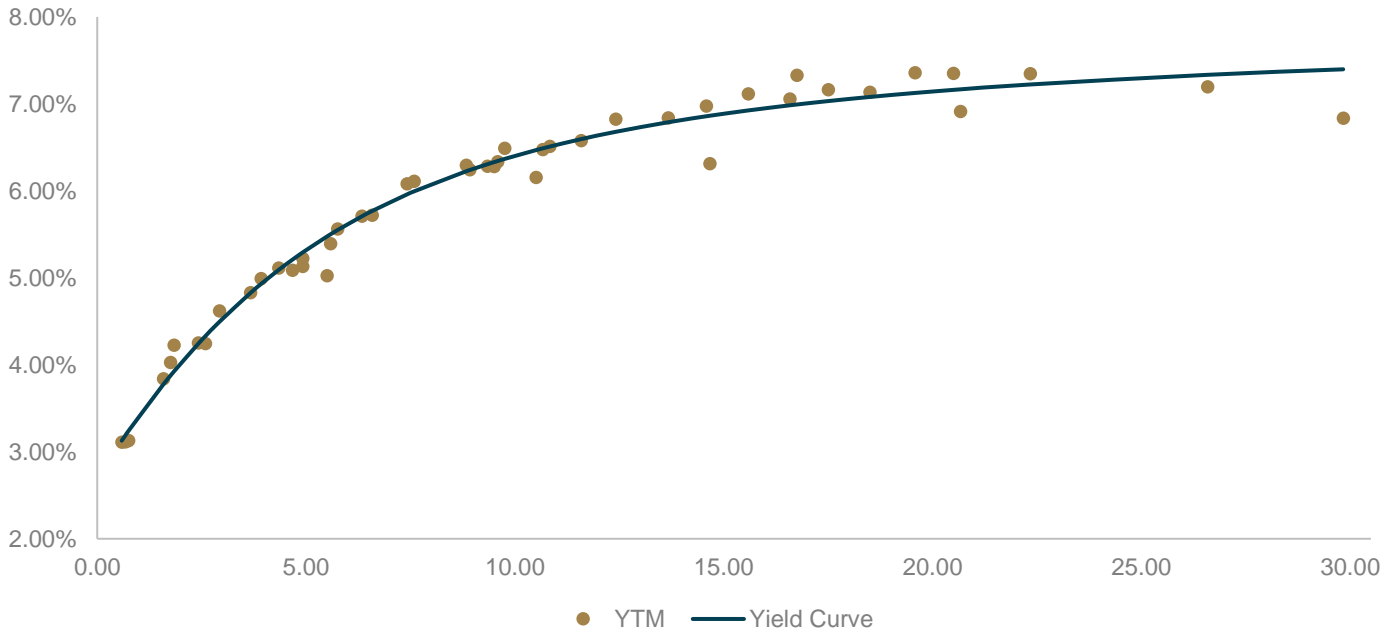
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.58	102.20	3.11%	3.13%	102.23	Fair
FR35	15-Jun-22	0.67	106.32	3.12%	3.19%	106.37	Fair
FR43	15-Jul-22	0.75	105.17	3.13%	3.24%	105.16	Fair
FR63	15-May-23	1.58	102.70	3.84%	3.78%	102.82	Fair
FR46	15-Jul-23	1.75	109.10	4.03%	3.88%	109.43	Fair
FR39	15-Aug-23	1.84	113.08	4.23%	3.92%	113.73	Discounted
FR70	15-Mar-24	2.42	109.34	4.25%	4.24%	109.40	Fair
FR77	15-May-24	2.58	109.36	4.25%	4.33%	109.19	Fair
FR44	15-Sep-24	2.92	114.48	4.62%	4.49%	114.90	Fair
FR81	15-Jun-25	3.67	105.53	4.83%	4.83%	105.55	Fair
FR40	15-Sep-25	3.92	121.09	4.99%	4.93%	121.39	Fair
FR84	15-Feb-26	4.34	108.19	5.11%	5.09%	108.30	Fair
FR86	15-Jun-26	4.67	101.63	5.09%	5.21%	101.19	Fair
FR37	15-Sep-26	4.92	129.00	5.22%	5.29%	128.70	Fair
FR56	15-Sep-26	4.92	113.91	5.13%	5.29%	113.19	Fair
FR90	15-Apr-27	5.50	100.47	5.03%	5.48%	98.35	Premium
FR59	15-May-27	5.58	107.63	5.40%	5.50%	107.12	Fair
FR42	15-Jul-27	5.75	122.75	5.56%	5.55%	122.86	Fair
FR47	15-Feb-28	6.34	122.50	5.71%	5.71%	122.54	Fair
FR64	15-May-28	6.58	102.18	5.72%	5.77%	101.92	Fair
FR71	15-Mar-29	7.42	117.18	6.08%	5.96%	118.01	Fair
FR78	15-May-29	7.58	112.80	6.11%	5.99%	113.58	Fair
FR52	15-Aug-30	8.84	128.12	6.30%	6.23%	128.70	Fair
FR82	15-Sep-30	8.92	105.10	6.24%	6.24%	105.13	Fair
FR87	15-Feb-31	9.34	101.48	6.29%	6.31%	101.34	Fair
FR85	15-Apr-31	9.50	110.39	6.28%	6.33%	110.02	Fair
FR73	15-May-31	9.58	117.11	6.34%	6.34%	117.08	Fair
FR54	15-Jul-31	9.75	121.47	6.49%	6.37%	122.48	Fair
FR91	15-Apr-32	10.50	101.68	6.16%	6.47%	99.30	Premium
FR58	15-Jun-32	10.67	113.50	6.47%	6.49%	113.39	Fair
FR74	15-Aug-32	10.84	107.56	6.51%	6.51%	107.60	Fair
FR65	15-May-33	11.58	100.37	6.58%	6.59%	100.23	Fair
FR68	15-Mar-34	12.42	112.81	6.83%	6.68%	114.15	Fair
FR80	15-Jun-35	13.67	105.78	6.84%	6.79%	106.26	Fair
FR72	15-May-36	14.58	111.51	6.98%	6.86%	112.70	Fair
FR88	15-Jun-36	14.67	99.39	6.31%	6.86%	94.37	Premium
FR45	15-May-37	15.58	124.54	7.12%	6.92%	126.67	Discounted
FR75	15-May-38	16.58	104.29	7.06%	6.98%	105.01	Fair
FR50	15-Jul-38	16.75	130.25	7.33%	6.99%	134.27	Discounted
FR79	15-Apr-39	17.50	111.96	7.16%	7.03%	113.40	Fair
FR83	15-Apr-40	18.50	103.73	7.13%	7.08%	104.29	Fair
FR57	15-May-41	19.58	122.00	7.36%	7.13%	124.85	Discounted
FR62	15-Apr-42	20.50	89.75	7.35%	7.16%	91.61	Discounted
FR92	15-Jun-42	20.67	102.30	6.91%	7.17%	99.53	Premium
FR67	15-Feb-44	22.34	115.25	7.35%	7.22%	116.79	Fair
FR76	15-May-48	26.58	102.07	7.20%	7.33%	100.46	Fair
FR89	15-Aug-51	29.84	100.48	6.84%	7.40%	93.73	Premium

Source : Bloomberg, MNCS Calculation as of October 14, 2021

Exhibit 6. Indo GB Yield Curve



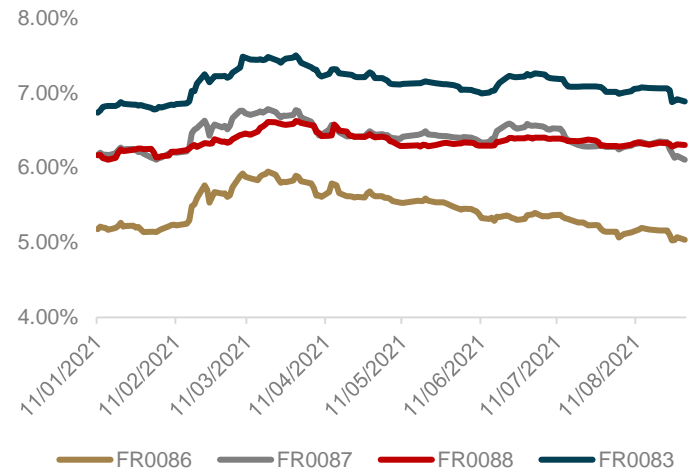
Source : Bloomberg, MNCS Calculation as of October 14, 2021

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

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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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