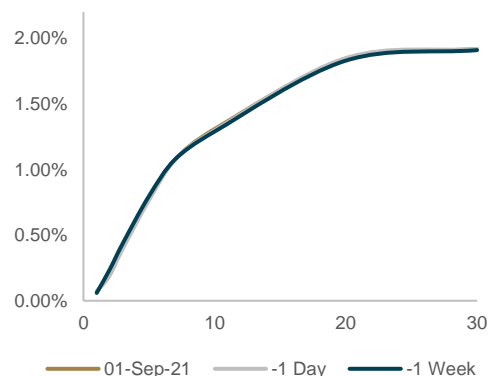


Exhibit 1. U.S. Treasury Yield



Source : U.S Treasury Department

Exhibit 2. Global Gov't Bond Yield

Country	31-Aug-21	-1 Day	-1 Week
U.S	1.30%	1.31%	1.34%
U.K	0.72%	0.71%	0.60%
Germany	-0.37%	-0.38%	-0.42%
Australia	1.24%	1.16%	1.16%
Japan	0.03%	0.03%	0.02%
China	2.82%	2.85%	2.86%
Malaysia	3.20%	3.21%	3.23%
Thailand	1.60%	1.58%	1.59%

Source : Bloomberg

Exhibit 3. Market Indicators

Indicators	Unit	Value
U.S. Treasury	%	1.30
Indo 5-Year CDS	bps	66.60
USD/IDR	points	14,283
BI 7DRR	%	3.50

Source : Bloomberg as of September 1, 2021



Tirta Widi Gilang Citradi

Economist & Fixed Income Analyst

Global Market Update

- The global economic recovery remained solid. However the pace of manufacturing activity somewhat decelerated in August-21.
- The impact of Delta variant widespread has dampened the factory activity. PMI manufacturing figures across Europe, Asia and U.S. declined in August-21 compared to previous month, despite still in an expansionary zone.
- U.S. Markit Manufacturing PMI came to 61.1 points last month. This 2.3 points below previous month figure.
- U.S. reported a lower than expected jobs market in August-21 as ADP employment change recorded only 374k below market consensus of 613k.
- The 10 year U.S. treasury yield closed flat at 1.3%. The overall yields moved 1-2 bps along the curve.
- U.S. equity market closed mixed. DJI dropped by 0.14%, S&P 500 nearly flat with 0.03% appreciation while Nasdaq Composite gained 0.33% last night.
- WHO is now strictly monitoring the 'mu' Covid-19 variant which could possibly evade the immunity. This variant was found in Colombia and now has been confirmed in 39 countries.

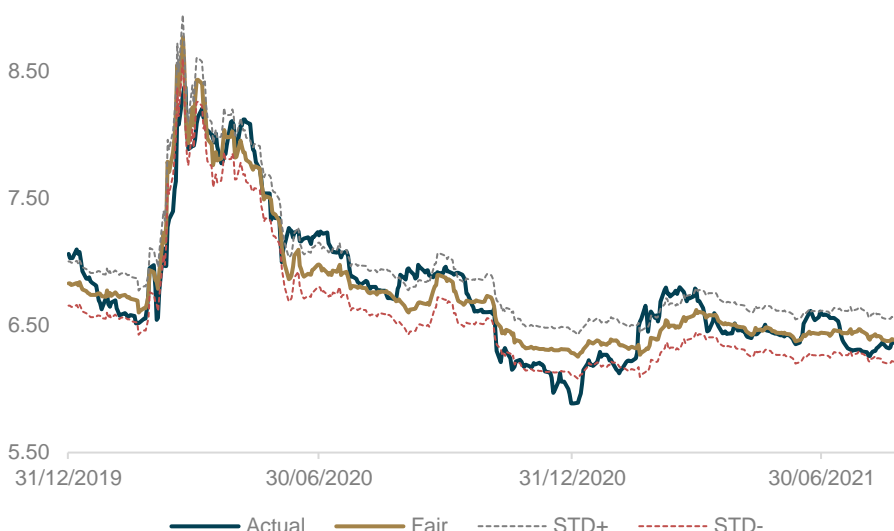
Domestic Market Update

- Indonesia's manufacturing activity recorded a contraction of 2 consecutive month amid the implementation of PPKM in July-August 2021. Markit Manufacturing figure was at 43.7 points.
- The domestic inflationary pressure remained benign as the annual CPI was reported to hike 1.59% YoY in August-21, in line with our expectation and market consensus.
- Domestic financial market saw a correction yesterday. JCI declined 0.97%, rupiah was depreciated 0.11% against USD and the 10 year Indo GB yield rose 2 bps to 6.09%.
- However, the upward pressure on bond yields remained low due to macro-environment that is set to be accommodative along with low external pressure.

Market Projection

- Given the U.S. treasury yield limited movement, the 10 year Indo GB yield will likely to move within range of 6.10%-6.20% on Thursday (09/02/21).
- The attractive government bond series to be traded are : FR0086, FR0064, FR0082, FR0087, FR0068, FR0072 and FR0083.

Exhibit 4. 10 Year Indo GB Fair Yield



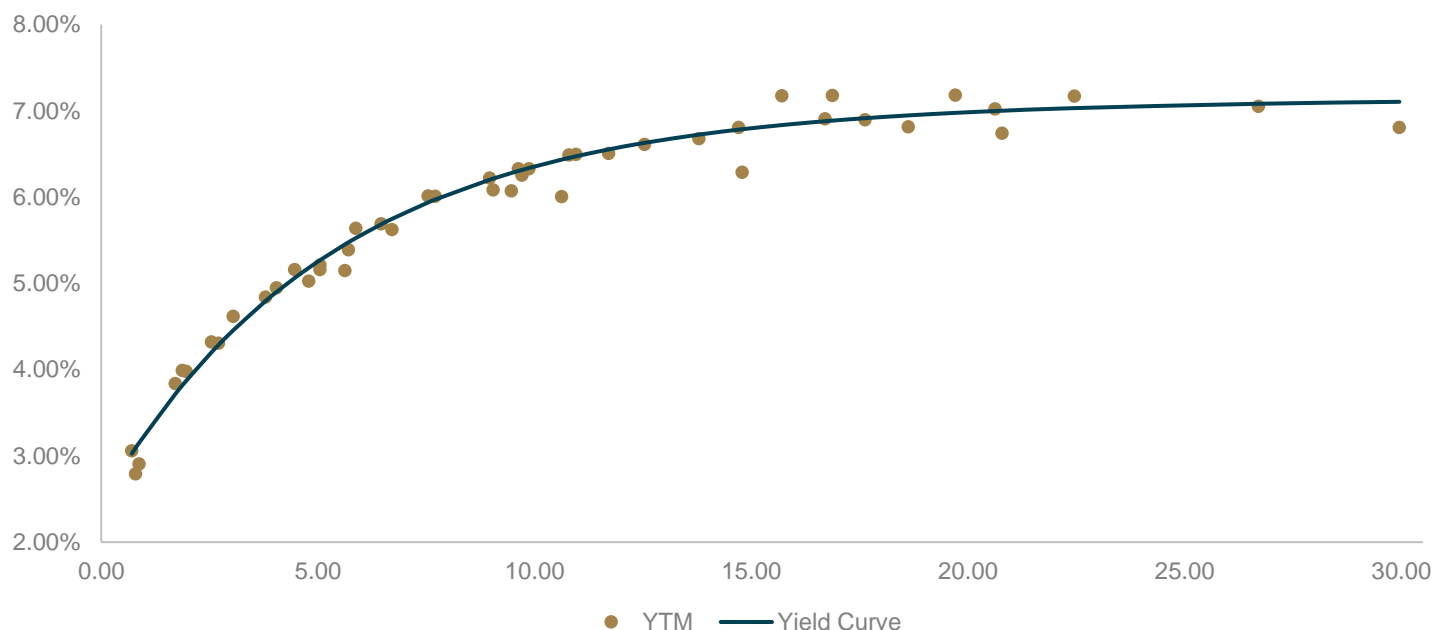
Source : Bloomberg, MNCS Calculation

Exhibit 5. Indo GB Series Valuation

Series	Maturity	TTM	Last Price	YTM	Fair Yield	Fair Price	Valuation
FR61	15-May-22	0.70	102.70	3.06%	3.02%	102.76	Fair
FR35	15-Jun-22	0.79	107.75	2.79%	3.09%	107.61	Premium
FR43	15-Jul-22	0.87	106.22	2.90%	3.15%	106.07	Premium
FR63	15-May-23	1.70	102.91	3.84%	3.71%	103.13	Fair
FR46	15-Jul-23	1.87	109.80	3.99%	3.82%	110.18	Discounted
FR39	15-Aug-23	1.95	114.43	3.98%	3.87%	114.73	Fair
FR70	15-Mar-24	2.54	109.63	4.32%	4.20%	109.98	Fair
FR77	15-May-24	2.70	109.63	4.30%	4.28%	109.72	Fair
FR44	15-Sep-24	3.04	115.07	4.62%	4.45%	115.62	Fair
FR81	15-Jun-25	3.79	105.67	4.84%	4.79%	105.85	Fair
FR40	15-Sep-25	4.04	121.88	4.95%	4.90%	122.14	Fair
FR84	15-Feb-26	4.46	108.21	5.16%	5.06%	108.64	Fair
FR86	15-Jun-26	4.79	101.93	5.02%	5.18%	101.34	Fair
FR37	15-Sep-26	5.04	129.71	5.21%	5.27%	129.49	Fair
FR56	15-Sep-26	5.04	114.09	5.16%	5.27%	113.61	Fair
FR90	15-Apr-27	5.62	99.89	5.15%	5.45%	98.44	Premium
FR59	15-May-27	5.70	107.81	5.39%	5.47%	107.38	Fair
FR42	15-Jul-27	5.87	122.75	5.64%	5.52%	123.43	Fair
FR47	15-Feb-28	6.46	123.00	5.69%	5.68%	123.07	Fair
FR64	15-May-28	6.70	102.78	5.62%	5.74%	102.08	Fair
FR71	15-Mar-29	7.54	117.88	6.01%	5.93%	118.42	Fair
FR78	15-May-29	7.70	113.65	6.01%	5.97%	113.91	Fair
FR52	15-Aug-30	8.95	129.02	6.22%	6.20%	129.23	Fair
FR82	15-Sep-30	9.04	106.30	6.08%	6.21%	105.38	Fair
FR87	15-Feb-31	9.46	103.06	6.07%	6.28%	101.57	Premium
FR85	15-Apr-31	9.62	110.11	6.33%	6.30%	110.33	Fair
FR73	15-May-31	9.70	117.93	6.25%	6.31%	117.48	Fair
FR54	15-Jul-31	9.87	122.99	6.33%	6.34%	122.95	Fair
FR91	15-Apr-32	10.62	102.86	6.01%	6.43%	99.55	Premium
FR58	15-Jun-32	10.79	113.51	6.49%	6.45%	113.81	Fair
FR74	15-Aug-32	10.95	107.80	6.49%	6.47%	107.98	Fair
FR65	15-May-33	11.70	100.95	6.51%	6.55%	100.59	Fair
FR68	15-Mar-34	12.54	114.89	6.61%	6.63%	114.73	Fair
FR80	15-Jun-35	13.79	107.32	6.68%	6.72%	106.91	Fair
FR72	15-May-36	14.70	113.27	6.81%	6.78%	113.53	Fair
FR88	15-Jun-36	14.79	99.66	6.28%	6.78%	95.04	Premium
FR45	15-May-37	15.70	124.00	7.18%	6.83%	127.81	Discounted
FR75	15-May-38	16.70	105.83	6.90%	6.88%	106.11	Fair
FR50	15-Jul-38	16.87	132.21	7.18%	6.88%	135.74	Discounted
FR79	15-Apr-39	17.62	114.93	6.90%	6.91%	114.75	Fair
FR83	15-Apr-40	18.62	107.19	6.81%	6.95%	105.74	Fair
FR57	15-May-41	19.70	124.25	7.18%	6.97%	126.81	Discounted
FR62	15-Apr-42	20.62	93.00	7.02%	7.00%	93.27	Fair
FR92	15-Jun-42	20.79	104.29	6.74%	7.00%	101.35	Premium
FR67	15-Feb-44	22.46	117.50	7.17%	7.03%	119.28	Fair
FR76	15-May-48	26.70	103.85	7.05%	7.08%	103.50	Fair
FR89	15-Aug-51	29.95	100.90	6.80%	7.10%	97.18	Premium

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

Exhibit 6. Indo GB Yield Curve



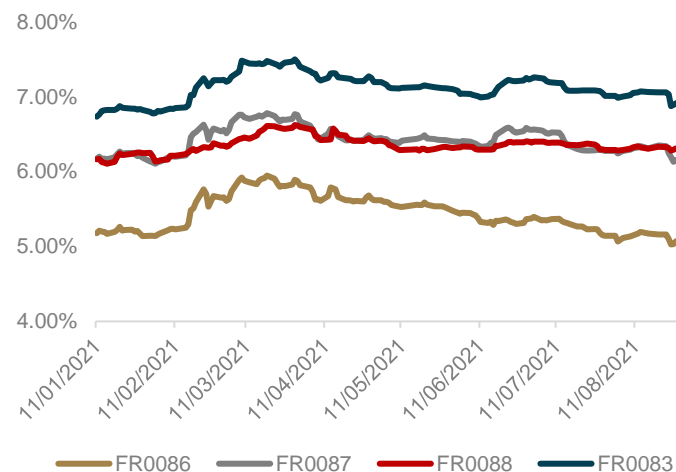
Source : Bloomberg, MNCS Calculation as of September 1, 2021

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
Bank	37.96	37.09	37.86	36.00	36.33	32.50	31.92	33.53
Central Bank (Nett)	9.52	10.98	10.65	12.77	11.99	15.93	16.08	14.69
Mutual Fund	4.18	4.04	3.92	3.81	3.06	3.16	3.18	3.22
Insurance & Pension Fund	14.04	14.01	14.08	14.14	14.44	14.24	14.59	14.45
Foreign	24.86	23.81	22.89	22.74	22.76	22.82	22.53	22.37
Individuals	3.51	4.11	4.56	4.49	4.61	4.49	4.64	4.52
Others	5.93	5.97	6.03	6.05	6.83	6.95	7.07	7.22

Source : DJPPR as of August 27, 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

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